Government of Saskatchewan

Annual Report 2004-2005

Saskatchewan Crop Insurance Corporation

Saskatchewan Centennial 2005

Statistical Highlights by Crop Year

	2004	2003	2002	2001
Financial				
Total Premium (P)	$291.5 M	$348.6 M	$248.6 M	$225.2 M
Total Indemnities (I)	$392.1 M	$345.0 M	$1.07 B	$331.5 M
Net Loss Ratio (I/P)	1.35	.99	4.30	1.47
Total Insured Value (liability)	**$2.1 B**	**$2.8 B**	**$2.5 B**	**$2.1 B**
Insured Acres				
Annual Grain Crops				
• Multi-Peril Insurance	25.0 M	25.9 M	25.5 M	25.2 M
• Ratio of Insured to Seeded Acres	70%	74%	74%	74%
Perennial Forage Crops				
• Multi-Peril Insurance	.8 M	.8 M	1.0 M	.5 M
• Forage Rainfall Insurance Program	1.7 M	2.7 M	3.3 M	.2 M
• Corn Heat Unit Pilot Program	2,324	n/a	n/a	n/a
Annual Crop Weather Based Insurance Program	1.4 M	.5 M	.9 M	n/a
Spot-Loss Hail	n/a	n/a	n/a	20.0 M
Insured Contracts				
Grain, Forage and Weather Derivative Programs	32,087	33,918	34,783	34,306
Spot-Loss Hail Program	n/a	n/a	n/a	19,991
Distribution of Acres by Coverage Level (expressed as a per cent of average yield)				
50% and Winterkill	14%	12%	8%	12%
60%	10%	8%	4%	6%
70%	43%	41%	35%	68%
80%	33%	39%	53%	14%
Weighted Average	70%	71%	73%	69%
Claims Registered*				
Unseeded Acreage	4,068	259	154	344
Establishment	6,203	6,035	6,482	3,187
Pre-Harvest	10,912	7,936	39,227	9,436
Post-Harvest	33,744	38,817	52,508	37,932
Hail	n/a	n/a	n/a	17,540
Wildlife - Waterfowl	2,149	292	1,946	192
Wildlife - Big Game	1,583	542	3,771	496
Total Claims Registered	**58,659**	**53,881**	**104,088**	**69,127**

* Not all claims result in a payable loss. For example, a loss in one field may be offset by higher yields in another field of the same crop.

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Saskatchewan Crop Insurance Corporation's 2004-2005 annual report is available in pdf format at www.saskcropinsurance.com.

Letters of Transmittal

July 29, 2005

To Her Honour
The Honourable Dr. Lynda Haverstock
Lieutenant Governor of Saskatchewan

Madam:

It is my honour to submit the Saskatchewan Crop Insurance Corporation annual report and financial statements for the year ended March 31, 2005.

Your obedient servant,

Mark Wartman
Minister of Agriculture and Food

July 29, 2005

To The Honourable Mark Wartman
Minister of Agriculture and Food

Sir:

I hereby present the 2004-2005 Saskatchewan Crop Insurance Corporation annual report for the year ended March 31, 2005. As an integral part of the overall strategic direction of agricultural policy in Saskatchewan, Crop Insurance will continue to develop and deliver effective risk management tools for this province's producers.

Respectfully submitted,

Doug Matthies
Chair of the Board
Saskatchewan Crop Insurance Corporation

2004 at a Glance

Winter 2003/2004

- Precipitation varied from well below normal in west-central areas to above normal in southern regions. Snow cover was reduced due to March winds resulting in minimal run-off through south and central areas of the grainbelt.

Spring 2004

- Throughout Saskatchewan, spring run-off was largely complete in April.

- May was cold with precipitation varying from lower amounts in the north, western and west central areas to two and four times normal in the southern grainbelt. Excessive rainfall generated runoff in these areas, filling sloughs, dugouts and low-lying areas. Due to these conditions, seeding was delayed or prevented and crop development was slow.

Summer 2004

- June's precipitation was near normal in southeastern and west central areas but above normal in central and northern areas, resulting in additional flooding.

- Crop development continued to lag without the required heat units though conditions generally suppressed insect populations.

- Cool and moist, August's precipitation varied with a frost recorded in many parts of the province on and around August 20. By the end of the month, only two per cent of crops were harvested due to rain and low temperatures.

Fall 2004

- From mid to late September, harvest advanced from 17 to 51 per cent complete.

- At 88 per cent combined, another phase of cool, wet weather further slowed October harvest activities. A break in the weather in November allowed harvest to proceed. However, as of November 1, two per cent (700,000 acres) had yet to be harvested and 2,900 Crop Insurance contracts received an extension of insurance to cover over-winter losses.

- At 25.5 million tonnes of major grains, oilseeds and specialty crops, 2004's production was nine per cent above the 10-year (1994-2003) average and 17 per cent above 2003's production, though quality was well below average due to delayed seeding, a cool summer, August frost and challenging harvest conditions.

Saskatchewan Agriculture and Food "Crop Report", Number 34, December 3, 2004

Our 2004-2005 Annual Report

This annual report is intended to assist stakeholders in understanding the role of Saskatchewan Crop Insurance through the corporation's strategic and financial plans. As the agriculture industry and corporate services evolve, so too will Crop Insurance's strategic plan by providing complete and objective information to all stakeholders.

The Public Performance Reporting Guidelines accountability framework is used by Saskatchewan Crop Insurance to report on the results of the 2004-2005 crop year. These guidelines provide the public with Crop Insurance's strategic plan and summarize the results achieved against those plans.

2004-2005 strategic plan results are being reported against the objectives and measures established in 2003-2004. More information and the 2005-2006 Strategic Plan can be found on pages 14 through 22.

A Year in Review

The past year proved to be another challenging one for Saskatchewan producers and Saskatchewan Crop Insurance. A cool, wet spring delayed seeding in many parts of the province, resulting in significant unseeded acreage payments for acres that were too wet to seed. Despite summer temperatures far below average, many producers were looking at bumper crops until unusually early August frosts abruptly changed the expectations of producers and the corporation. For the most part, crop production was average but the quality suffered greatly. Crop Insurance completed nearly 58,000 inspections and paid approximately $392 million to customers, the majority of which was for the downgrading of the crop quality. This brought the four-year indemnity total to more than $2 billion.

Looking back at 2004-2005, it remains as critical as ever that Saskatchewan Crop Insurance continues its mission to develop and deliver effective and innovative insurance services to help sustain the agriculture sector. Whether the cause of loss was drought, flooding, or frost, Saskatchewan Crop Insurance has continued to provide a strong, core crop insurance program for farmers to assist them in mitigating their risk.

Approximately 32,000 customers insured 25 million annual crop and nearly 800,000 forage acres under the yield-loss programs. Weather-based coverage was purchased on 3.1 million acres. In total, Crop Insurance insured 70 per cent of all land seeded in Saskatchewan under a variety of programs. For 2004, programs implemented and improvements included:

- To help fulfill the objective of the Saskatchewan agriculture industry to expand livestock production, Crop Insurance focused on enhancing forage programs.
  - A pilot establishment benefit was introduced on native forage acres enrolled in the federal Greencover Canada Program.
  - Benefits were increased for tame hay and sweetclover establishment.
  - The Forage Rainfall Insurance Program was enhanced to include a choice of monthly weightings to better represent timely precipitation for the individual's pasture operation. Producers could select to cap precipitation included in monthly calculations at either 150 or 125 per cent of normal.
  - A weather-based pilot program insuring against the lack of corn heat units over the growing season was offered in 16 designated rural municipalities.
- To help fulfill the Agriculture Policy Framework (APF) objective of expanding risk management tools available to Saskatchewan producers, Crop Insurance made changes to the Annual Crop Weather Based Insurance Program.
  - Crop Insurance introduced an enhanced $25 per acre top-up option in addition to the basic $10 top-up and $75 stand alone options. Protecting producers against drought and early fall frost, the weather-based top-up options could be used to enhance regular, multi-peril coverage.
- To maintain a strong, core multi-peril program, several adjustments were made.
  - To better reflect the predominate grade of the crop sold in Saskatchewan, the standard grade for large green and other class lentils was reduced to #2 Canada. Red lentil standard grade remains at #1.
  - Organic long-term area stubble yields were reduced to more accurately reflect current production.
  - Starting in 2004, individual production information was used to establish the bushel coverage on chickpeas, rather than provincial average yields. Individual experience premium discounts and surcharges were also applied.

An important objective of the APF is to achieve consistent and efficient delivery of programs across Canada. During 2004-2005, Saskatchewan Crop Insurance participated in the federally-sponsored Production Insurance Administrative Best Practices Review which compared crop insurance programs across Canada. The final report made best practice recommendations that will help expand program availablility and maintain efficient program delivery. Although Saskatchewan has the greatest number of producers insured, insured acres, and the highest level of liability, Saskatchewan Crop Insurance has the second lowest operational costs. The corporation's initiatives that correspond with highest priority best practices recommendations include:

- Using a risk management process to determine where adjusting resources should be concentrated;
- Weather derivative programs for crops that are traditionally difficult to insure;
- Optimizing transactions through call centres and the internet to improve customer access to information.

In the spirit of Saskatchewan's centennial, Crop Insurance is proud to have provided risk management tools to producers for nearly 45 years. The corporation has grown, from offering the most basic coverage in a limited area on a handful of crops to providing specialized insurance products for Saskatchewan's innovative annual crop, forage and diversified producers. Following the corporate and provincial strategic direction and the APF, Crop Insurance will continue to work towards our goals of providing sustainable risk management tools into the century to come.

Stan Benjamin
General Manager
Saskatchewan Crop Insurance Corporation

Our Organization

Governing Authorities

The Saskatchewan Crop Insurance Corporation is a provincial Crown Corporation established by an Act of Legislature primarily to administer the Canada-Saskatchewan Crop Insurance Program. As a joint federal-provincial program, Crop Insurance is subject to the following Acts, Regulations and Agreements:

- Farm Income Protection Act (federal)
- Crop Insurance Act (provincial)
- Crop Insurance Regulations (federal and provincial)
- Canada-Saskatchewan Production Insurance Agreement
- Canada-Saskatchewan Production Insurance Operational Document

Crop Insurance also administers payments under the Wildlife Damage Compensation Program (formerly the Waterfowl Damage Compensation Program and the Big Game Damage Compensation Program). This program is governed under the provincial Farm Financial Stability Act and associated regulations.

Saskatchewan Crop Insurance has complied with the provisions of these authorities.

Board of Directors

Under the Crop Insurance Act, the board of directors is responsible for the overall direction and development of the Crop Insurance Program and authorized to conduct the affairs of the corporation. Decisions with major financial and policy implications are developed in consultation with industry and must be approved by the provincial and federal governments.

As of March 31, 2005, the board members were Doug Matthies, Chair and Deputy Minister of Saskatchewan Agriculture and Food (SAF), Hal Cushon, Vice Chair and Assistant Deputy Minister of SAF, Wilson Olive and Arlee McGrath. Norm Ballagh resigned his position with the board during the course of the year. All members are either involved in farm operations or have an agricultural background.

Provincial Appeal Panel

The Saskatchewan Crop Insurance Provincial Appeal Panel was established to provide fair and efficient resolution to customer issues. The panel is an advisory committee of producers appointed by the board of directors to consider and make recommendations on individual customer concerns. A voluntary process, informal hearings are held on a regular basis with customers and staff presenting information. The panel's recommendation is then presented to the board of directors for final decision.

Panel members are farmers at large. As of March 31, 2005, members were Chair Harry Bastness (Hagen), Vice Chair Janice Sterling (Mortlach), Brian Kramer (Southey), Dale Flavel (Silton), William Lanfermann (Paradise Hill), Allan Beblow (Yorkton) and Wayne Truman (Redvers).

Between April 1, 2004 and March 31, 2005, the appeal panel registered 103 appeals. Nine were withdrawn and one was deferred. Of the 93 remaining appeals, 12 were granted in whole, 22 were granted in part and 59 were denied. As of March 31, there were 23 appeals registered but not yet heard by the appeal panel and five appeals that were heard but await the final decision of the board of directors.

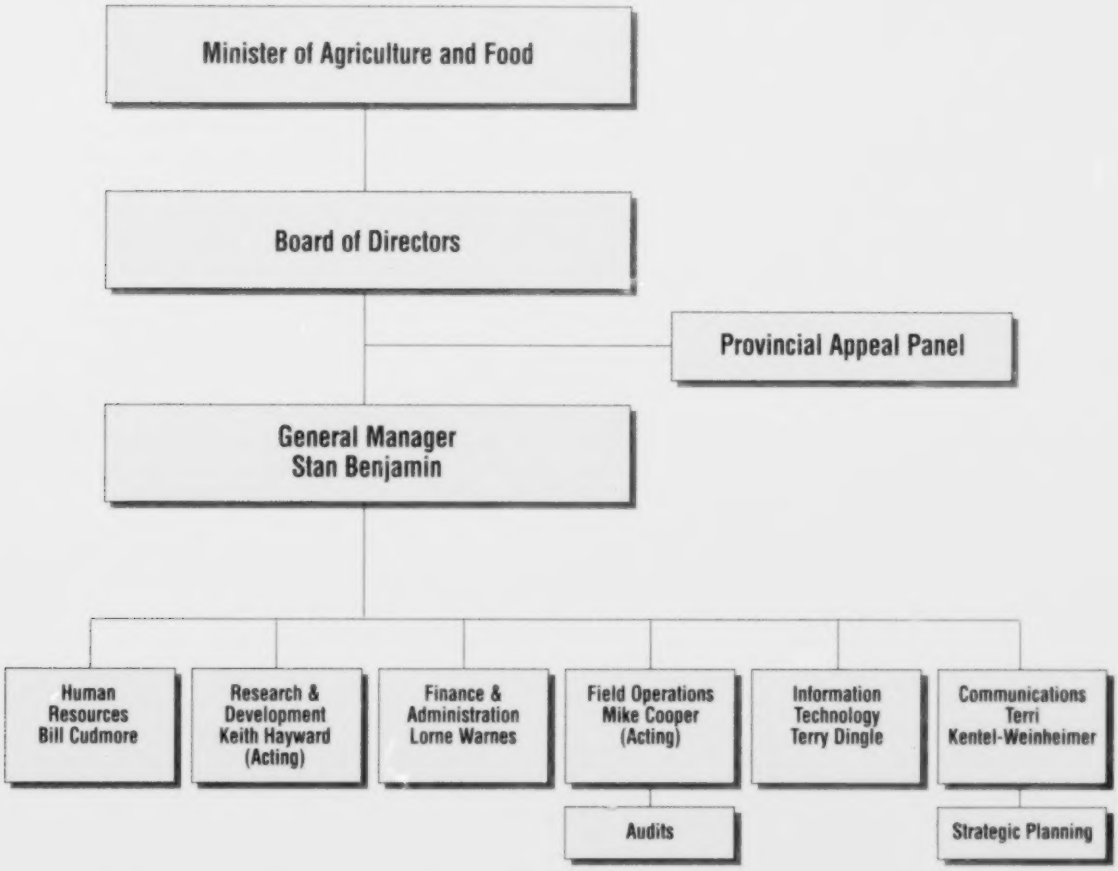
Staff

Crop Insurance's head office is located in Melville with 21 customer service offices in communities throughout the province. As of March 31, 2005, Crop Insurance employed 478 individuals including permanent, temporary and casual positions. Of these, 115 employees were located at head office and 363 were located in the customer service offices.

Saskatchewan Crop Insurance contact information can be found on page 44 of this annual report.

Organization Chart

As of March 31, 2005



Overview of Saskatchewan Crop Insurance

Role within Saskatchewan Agriculture and Food

The mandate of Saskatchewan Agriculture and Food (SAF) is to foster a commercially viable, self-sufficient and sustainable agriculture and food sector. According to SAF's performance plan, the department's first Goal is "Effective safety net programs and risk management tools" with Crop Insurance under Objective 5: "Provide crop insurance programs which grains and livestock producers may use to offset production failures and other natural hazards".

Although Saskatchewan Crop Insurance is an agency of SAF, designing and delivering programs that support the department's overall strategy for agriculture, the federal Agricultural Policy Framework (APF) provides the structure and guiding principles for business risk management programs. Under the APF, production (crop) insurance is one of the two programs available to mitigate the risk of farming.

1. Production Insurance – Pooled risk insurance providing enrolled customers indemnities in the event of crop loss due to a number of natural perils. The federal and provincial governments and producers cost-share producer premiums while administration costs are completely funded by the governments. Claims are paid within the season based on the customer's individual circumstance.

2. The Canadian Agricultural Income Stabilization (CAIS) Program – A whole-farm, income-based program available to eligible producers regardless of the commodities they produce. CAIS protects farm operations from both small and large declines in income by integrating income stabilization and disaster protection. Producers can select varying levels of protection for their individual reference margin. Program payments include funds from the participant's account and a government contribution and are made when the participant's margin in the program year falls below their reference margin.

Production insurance and CAIS are designed to work together to provide maximum protection for producers. Production insurance payments are eligible income under CAIS which increases a producer's reference margin in future years and preserves higher levels of support. There are linkages between the programs to protect producers who participate in crop insurance from being financially disadvantaged as compared to producers who participate in CAIS only.

Corporate Risk Analysis and Management

To effectively contribute towards the government's agriculture strategy, Crop Insurance has identified the following key risks and strategies to manage those risks.

1) Program Design and Participation
To provide economic stability to the agriculture sector and reduce the financial risk that government may be called upon to provide ad-hoc emergency support, Crop Insurance needs to be considered an effective risk management program by participants and government stakeholders.

Crop Insurance is a voluntary program. To attract farmers, the program must be seen as a valuable part of their overall risk management strategy. The features and options provided, like coverage levels and range of crops insured, must be flexible. Premiums charged must be fair and reasonable and meet actuarial standards. The program must also evolve with the changing agricultural industry. These needs must be balanced with the program design principles and the financial capacity of each level of government that sponsors the program.

To manage this risk, Crop Insurance works with producers, industry groups and associations, the federal government and academia to identify needs, opportunities, challenges and shortcomings of current programs. Changes to programs are typically developed in conjunction with stakeholders to ensure recommended changes address the issues identified and will be supported by the industry.

Although the foundation of the Crop Insurance program is multi-peril production insurance, alternative program designs such as weather-based and proxy insurance models are used to grow the program to meet the needs of the agriculture industry.

2) Program Financial Stability
To be sustainable as a long-term insurance program, the premiums charged over time must be sufficient to pay the claims incurred. Crop Insurance has a rigourous premium-setting methodology that is certified by an independent actuary every five years or more often if

substantive program changes or issues arise. The most recent certification was completed for the 2004 crop year.

Since growing conditions and crop suitability vary across Saskatchewan, premium rates are established for each crop using defined risk areas to ensure the base premium rates reflect the expected claim experience for different crops in different parts of the province. For some minor crops where there are either limited acres grown in the province or limited years of growing experience under Saskatchewan conditions, premium rates may be based on larger risk zones or on a provincial basis.

The premium associated with certain specific features of crop insurance such as the Establishment Benefit and Unseeded Acreage Benefit are separately calculated and added to the base rates. These premiums may be loaded across all crops within the risk area, risk zone or provincial rate.

Premiums also include a component to address deficit recovery or reserve accumulation requirements. The costs of this component are included in premiums on a provincial basis.

Production catastrophes occur in all parts of the province but not necessarily at the same time. The immediate financial burden caused by such events is spread across the entire base of customers. This provides greater premium stability and encourages higher program participation. In the event that the overall program is in a deficit position, additional premiums are determined to result in a recovery within a fifteen year period. This encourages continued program participation and affordability of premiums.

Along with a rigourous premium rate setting strategy, it is critical that adequate reinsurance is available to Crop Insurance in the event that claims exceed annual premiums and reserves. Without adequate reinsurance arrangements, the ability to pay producer claims may be at risk.

The federal and provincial governments currently provide reinsurance in accordance with terms set out in the Canada-Saskatchewan Crop Production Insurance Agreement. To ensure the long-term sustainability of these arrangements, an actuarial evaluation is to be conducted every five years or sooner if conditions or program changes warrant. The most recent review was completed in 2002.

Both levels of government provide reinsurance to Crop Insurance through their own sources. Each level of government is considered to have the necessary borrowing capacity and is able to achieve costs of capital that are at least as attractive as purchasing private sector reinsurance. Furthermore, the third party certification of sustainability gives confidence that any deficits will be recovered over time.

All premiums paid to the Crop Insurance program are available for the purposes of paying claims or reinsurance costs only. Surplus funds are held for future production losses and cannot be utilized by either level of government for other purposes. As a result of this provision and the periodic review of premium and reinsurance rates to ensure their appropriateness, governments have been satisfied that the current reinsurance arrangements should provide for a less expensive program than subscribing to private reinsurance.

3) Program Delivery

Approximately 32,000 Saskatchewan producers currently purchase crop insurance and while the concept of insuring against production loss is simple, the program has increased in complexity in response to expanding needs of producers. To meet the demands of volume, complexity, accuracy and timeliness, it is critical that the corporation ensure it has an adequate infrastructure.

Saskatchewan Crop Insurance has placed a high priority on its human resources and technology needs. The culture, staff development opportunities, information technology capacity and enterprise risk management strategies of the corporation are critical aspects of managing this risk.

To ensure the integrity of the insurance program, future premiums, and to meet the needs of producers facing crop losses, the adjusting system must ensure that claims are accurately assessed and indemnities paid in a timely fashion. To do this, the corporation emphasizes training of adjusters and staff to identify the cause of loss, accurately assess the loss and, through the use of technology, promptly and accurately process the claim. The corporation utilizes standardized training modules, policy and procedure manuals, supervision, analytical review and compliance audits to manage this risk.

In addition, Crop Insurance utilizes a deliberate strategy of decentralized claim adjusting and processing to increase awareness of local conditions and issues. The corporation has effective communication processes to ensure any appropriate consideration and decision-making occurs as issues emerge. The corporation also uses an indemnity prediction model to estimate potential claims, alert stakeholders to claim payment requirements and allocate adjusting resources.

Percentage of Acreage by Coverage Level

Year	50%	60%	70%	80%
1997	28%	11%	50%	11%
1998	18%	9%	58%	15%
1999	19%	9%	59%	14%
2000	13%	7%	66%	14%
2001	12%	6%	68%	14%
2002	8%	4%	35%	53%
2003	12%	8%	41%	39%
2004	14%	10%	43%	33%

Weighted Average Coverage Level by Year

Year	Average Coverage Level	Year	Average Coverage Level
1990	72%	1998	67%
1991	70%	1999	67%
1992	79%	2000	68%
1993	76%	2001	69%
1994	70%	2002	73%
1995	69%	2003	71%
1996	69%	2004	70%
1997	65%		

Historical Premium Cost Sharing

	Total Premium			Base Premium			Buy-Up Premium			Weather-Based Program Premium			High Cost Coverage			Admin Costs	
Year	Prod %	Fed %	Prov %	Prod %	Fed %	Prov %	Prod %	Fed %	Prov %	Prod %	Fed %	Prov %	Prod %	Fed %	Prov %	Fed %	Prov %
1961-66	80%	20%	-													50%	50%
1967-72	75%	25%	-													50%	50%
1973-89	50%	50%	-													0%	100%
1990-96	50%	25%	25%*													50%	50%
1997	42.2%	28.9%	28.9%	20%	40%	40%	60%	20%	20%							50%	50%
1998	39.0%	30.5%	30.5%	20%	40%	40%	50%	25%	25%							50%	50%
1999	39.0%	30.5%	30.5%	20%	40%	40%	50%	25%	25%							50%	50%
2000	29.2%	42.5%	28.3%**	10%	54%	36%	40%	36%	24%							50%	50%
2001	29.7%	35.2%	35.2%	10%	45%	45%	40%	30%	30%							50%	50%
2002	36.8%	27.4%	35.8%***	19%	36%	45%	48%	22%	30%	37%	28%	35%				50%	50%
2003	36.0%	38.0%	26.0%	19%	49%	32%	48%	31%	21%	37%	38%	25%				60%	40%
2004	38.0%	37.0%	25.0%	20%	48%	32%	50%	30%	20%	37%	38%	25%	67%	20%	13%****	60%	40%

* In 1992 only, the provincial government paid 41 ⅔ per cent, producers 33 ⅓ per cent and the federal government 25 per cent of the incremental premium between 70 and 80 per cent coverage.

** For 2000 only, the federal government paid 60 per cent of government premiums.

*** Projected overall cost sharing. Also applied to Forage Rainfall Insurance Program, Annual Crop Weather Based Insurance Program and the Corn Heat Unit Pilot Program (since 2004).

**** The cost sharing for high cost coverage is established under the Agriculture Policy Framework (APF). It applies to the Enhanced Top-Up Option under the Annual Crop Weather Based Insurance Program as the coverage is considered to be above the level provided under the comprehensive cost-sharing provisions of the APF.

Forage and Weather-Based Program Summaries

Forage Insurance Program – (Multi-Peril) Historical Statistics

Year	Number of Contracts	Number of Endorsements	Number of Endorsements Receiving Indemnity	Acres Insured	Liability	Total Premium	Indemnity	Loss Ratio
1994		2,378	637	298,424	$ 8,042,202	$ 1,566,957	$ 663,524	0.42
1995		1,873	1,107	235,028	5,720,904	1,221,230	1,411,802	1.16
1996		1,664	874	233,726	8,726,197	1,927,287	1,491,065	0.77
1997		1,388	628	193,108	7,990,634	1,433,830	1,146,982	0.80
1998	2,013	2,285	1,100	359,954	17,524,304	3,145,855	4,256,605	1.35
1999	1,913	2,169	243	306,689	14,005,988	2,416,213	609,874	0.25
2000	2,241	2,548	412	382,912	13,247,318	2,363,477	815,977	0.35
2001	2,883	3,380	1,987	532,032	20,592,772	2,904,964	7,395,640	2.55
2002	4,432	5,448	2,465	973,758	56,758,894	9,034,257	20,753,208	2.30
2003	3,993	4,812	1,709	792,892	46,483,100	9,674,951	11,156,974	1.15
2004	3,969	4,730	304	781,854	35,218,651	7,377,309	866,982	0.12
Total	**21,444**	**32,675**	**11,466**	**5,090,377**	**$243,310,964**	**$ 43,066,330**	**$ 50,568,633**	

Forage Rainfall Insurance Program

Year	Contracts	Endorsements	Acres	Liability	Claims	Premium	Indemnity	Loss Ratio
2001	336	558	209,747	$ 7,628,510	283	$ 827,733	$ 625,577	0.76
2002	3,955	6,120	3,272,263	24,603,861	3,494	4,598,102	6,051,393	1.32
2003	3,510	5,377	2,664,809	37,191,756	1,264	7,193,218	1,497,313	0.21
2004	2,416	3,638	1,710,063	18,000,136	808	3,501,965	357,056	0.10

2001 was the first year of the pilot project and was not available in all parts of the province.

Annual Crop Weather Based Insurance Program

Year	Contracts	Endorsements	Acres	Liability	Claims	Premium	Indemnity	Loss Ratio
2002	2,290	2,290	900,861	$ 9,008,610	637	$1,532,820	$ 826,132	0.54
2003	1,336	1,345	518,272	6,002,640	754	728,967	904,474	1.24
2004	2,316	2,421	1,365,151	25,903,525	1,658	3,084,340	5,713,885	1.85

Corn Heat Unit Pilot Program

Year	Contracts	Endorsements	Acres	Liability	Claims	Premium	Indemnity	Loss Ratio
2004	25	25	2,324	$353,440	25	$43,942	$152,406	3.47

Life-to-date Participation and Loss Experience

Annual Grains Crops – Multi-Peril Program Only

Year	Number of Customers	Liability	Average Customer Liability	Customer's Net Premium	Total Net Premium
1961-62	194	$ 306,500	$ 1,580	$ 23,925	$ 29,906
1962-63	1,337	2,319,000	1,734	171,284	214,105
1963-64	2,235	3,683,000	1,648	275,645	344,556
1964-65	2,357	4,088,000	1,735	278,926	348,658
1965-66	3,172	4,566,000	1,440	290,708	363,385
1966-67	6,989	12,125,000	1,734	743,154	928,943
1967-68	8,211	15,910,000	1,938	941,146	1,176,433
1968-69	12,343	27,165,000	2,201	1,719,898	2,149,873
1969-70	11,637	21,194,000	1,821	1,320,748	1,650,935
1970-71	9,083	9,039,200	995	567,835	709,794
1971-72	7,890	14,625,000	1,854	782,908	978,635
1972-73	11,844	29,840,005	2,519	1,821,463	2,276,829
1973-74	23,909	140,436,128	5,874	6,780,470	13,688,272
1974-75	31,411	288,263,532	9,177	14,536,220	30,098,459
1975-76	38,209	405,089,832	10,604	19,821,549	41,041,161
1976-77	39,143	542,207,973	13,852	25,986,032	53,637,408
1977-78	47,156	704,688,894	14,944	34,761,664	71,887,589
1978-79	43,032	708,193,202	16,457	33,258,275	66,472,426
1979-80	40,154	721,821,633	17,976	33,065,306	66,055,718
1980-81	42,850	935,838,614	21,840	41,457,643	82,546,598
1981-82	46,259	1,162,172,942	25,123	53,612,350	106,100,031
1982-83	44,469	1,233,908,814	27,748	56,458,215	112,003,208
1983-84	43,000	1,254,906,517	29,184	56,017,456	111,588,185
1984-85	43,443	1,345,493,742	30,971	62,690,884	123,439,542
1985-86	46,894	1,558,492,595	33,234	76,052,344	151,943,200
1986-87	48,952	1,778,772,508	36,337	88,008,642	170,010,965
1987-88	46,492	1,161,135,578	24,975	61,969,782	120,935,244
1988-89	45,721	1,159,096,010	25,352	63,265,513	121,599,339
1989-90	49,267	1,942,011,401	39,418	132,122,366	238,801,161
1990-91	46,523	1,713,501,461	36,831	112,716,301	207,182,201
1991-92	51,466	1,478,891,201	28,735	82,647,237	145,600,110
1992-93	49,466	1,706,956,497	34,508	111,510,843	223,159,109
1993-94	45,752	1,269,698,961	27,752	100,119,693	199,319,998
1994-95	43,107	1,249,853,183	28,994	88,228,806	161,006,675
1995-96	40,904	1,355,607,448	33,141	80,561,270	157,205,530
1996-97	38,099	1,619,069,926	42,496	86,722,633	173,445,266
1997-98	36,030	1,574,353,395	43,695	56,567,834	141,930,893
1998-99	35,336	1,610,578,015	45,579	53,926,962	149,706,545
1999-00	33,216	1,583,681,295	47,678	48,739,931	136,382,054
2000-01	34,121	1,561,382,982	45,760	36,320,919	140,130,557
2001-02	33,917	2,022,351,221	59,626	42,725,264	163,480,791
2002-03	33,814	2,416,155,651	71,454	80,498,777	218,311,844
2003-04	33,012	2,665,864,135	80,754	118,968,854	330,663,077
2004-05	31,385	1,988,751,359	63,366	103,747,871	278,137,473

1991-92, 1992-93, 1993-94 and 1994-95 information is for Crop Insurance only and the Crop Insurance portion of GRIP.
This does not include Forage Insurance, weather derivative programs or the Spot-Loss Hail Option.
Premium includes premiums from producers and contributions by the governments of Canada and Saskatchewan.

Average Customer Premium	Average Customer Rate (%)	Number of Indemnities Paid	Indemnity Amount	Loss to Premium Ratio (By Year)	Loss to Premium Ratio (Accumulated)
$ 123	7.8	169	$ 129,669	4.34	4.34
128	7.4	147	61,651	0.29	0.78
123	7.5	38	9,285	0.03	0.34
118	6.8	240	137,926	0.40	0.36
92	6.4	301	123,304	0.34	0.36
106	6.1	161	107,978	0.12	0.26
115	5.9	887	497,118	0.42	0.31
139	6.3	1,683	1,607,853	0.75	0.48
113	6.2	553	385,787	0.23	0.42
63	6.3	213	104,338	0.15	0.40
99	5.4	206	142,930	0.15	0.37
154	6.1	1,654	1,262,763	0.55	0.41
284	4.8	8,484	7,730,305	0.56	0.49
463	5.0	23,505	32,898,379	1.09	0.82
506	4.9	24,444	28,392,087	0.69	0.77
664	4.8	15,092	22,401,840	0.42	0.64
736	4.9	21,915	36,862,943	0.51	0.60
773	4.7	17,389	29,419,884	0.44	0.56
824	4.6	39,050	103,835,041	1.57	0.75
968	4.4	35,907	135,708,452	1.64	0.92
1,159	4.6	29,167	92,280,986	0.87	0.91
1,270	4.6	23,967	74,157,729	0.66	0.87
1,303	4.5	26,804	105,243,197	0.94	0.88
1,443	4.7	51,853	259,864,151	2.11	1.05
1,622	4.9	57,693	377,180,151	2.48	1.26
1,798	4.9	29,161	119,054,329	0.70	1.18
1,333	5.3	25,547	87,240,750	0.72	1.14
1,384	5.5	74,987	465,603,032	3.83	1.36
2,682	6.8	57,064	449,653,069	1.88	1.44
2,423	6.6	36,538	160,883,342	0.78	1.36
1,606	5.6	23,252	61,312,350	0.42	1.30
2,254	6.5	39,627	301,960,318	1.35	1.30
2,188	7.9	27,385	181,809,677	0.91	1.27
2,047	7.1	17,924	85,991,873	0.53	1.23
1,970	5.9	21,525	101,531,480	0.65	1.19
2,276	5.4	7,541	32,409,227	0.19	1.13
1,570	3.6	12,152	51,807,874	0.37	1.10
1,526	3.3	15,452	66,706,347	0.45	1.07
1,467	3.1	14,871	65,065,409	0.48	1.05
1,064	2.3	12,064	75,919,849	0.54	1.03
1,260	2.1	33,353	267,782,992	1.64	1.05
2,381	3.3	61,147	1,044,721,261	4.79	1.26
3,604	4.5	36,752	330,039,388	1.00	1.24
3,306	5.2	35,073	383,102,319	1.38	1.25

Saskatchewan Crop Insurance 2004-2005 Strategic Plan

Saskatchewan Agriculture and Food Mandate

Foster a commercially viable, self-sufficient and sustainable agriculture and food sector and healthy, diverse rural communities.

Saskatchewan Crop Insurance Mandate

Develop and deliver federal/provincial safety net risk management programs and service for the agriculture sector.

Vision

We excel at providing innovative agricultural insurance and related products and services and are a respected, integral part of a dynamic Saskatchewan agriculture sector.

Values

Innovation, Open Two-way Communication, Teamwork, Accountability, Honesty, Fairness and Respect

Strategic Plan and Performance Management: Goals, Objectives, Key Actions and Performance Measures

The performance measures identified are broad-based to help stakeholders assess the performance of the Crop Insurance program. In developing the strategic plan, Crop Insurance followed the balanced scorecard model. The goals, objectives and strategic initiatives have been built around the following perspectives:

1. Customer Products and Services
   - Supporting the core grains sector and diversification
   - Supporting expansion of the livestock sector
   - Working with industry to develop and design programs

2. Financial Management
   - Ensuring premium rate methodologies support long-term sustainability of the insurance products available
   - Ensuring adequate reinsurance arrangements are in place to guarantee claim payments
   - Effective program administration

3. Infrastructure and Internal Business Processes
   - Ensuring adequate resources, capacity and processes provide accurate and timely service

4. Learning and Growth
   - Meeting the human resource needs to provide customer service excellence

2004-2005 Strategic Plan Final Results

Strategic Goal 1: Customer Products and Services

Strong risk management programs and services responding to customer and industry needs to support prosperous, environmentally sustainable, agriculture and processing industries

Objective	Strategic Initiative	Performance Measure
To provide valuable and innovative core risk management programs and services to our customers	Research and implement strategies outlined in the Agriculture Policy Framework (APF)	Six programs were implemented to support APF strategies: Crop Averaging Pilot Program, Forage Diversification, Organic Contract Price Option, expansion of the Corn Heat Unit Pilot Program, and the Timothy Hay Pilot Program.
	Provide insurance products to meet changing customer needs	Saskatchewan producers insured 70 per cent of seeded annual crop acres. This compares to 74 per cent in 2003, a historical provincial average of 65 per cent and the 2004 national average of 70 per cent. The average coverage level in 2004 was 70 per cent of average yields. This compares to the provincial average of 71 per cent in 2003, the historical average (since 1990, which is the year 80 per cent coverage was first offered) of 70 per cent and the 2004 national average of 75 per cent. 80 per cent of seeded crops have specific crop insurance programs. 1,365,151 acres were insured in the Annual Crop Weather Based Insurance Program compared to 518,269 in 2003.
To support diversification, livestock and industry expansion through program development	Research and expand the insurance options available to forage producers	Six initiatives were implemented under the Forage Insurance program: Greenfeed Establishment Benefit, Forage Management Experience Transfer, Forage Diversification Option, Corn Heat Unit Pilot Program expansion, and the Timothy Hay Pilot Program. 781,854 acres of forage were insured for yield-loss or establishment which is 21.4 per cent of estimated tame hay acres in Saskatchewan. This compares to a five-year (1999-2003) average of 599,490 insured acres which is 16.4 per cent of the estimated tame hay acres in Saskatchewan. 1,710,063 acres of pastureland were insured under the Forage Rainfall Insurance Program which is 13 per cent of the estimated grazing acres in Saskatchewan.

Objective	Strategic Initiative	Performance Measure
To ensure customers have the best crop insurance information available to help them make farm management decisions	To provide program materials to ensure awareness and understanding of the crop insurance program	The 2005 Saskatchewan Crop Insurance program was announced on February 11, 2005. Materials were delivered to all customers March 3, thereby allowing four weeks for producers to make decisions before the March 31 deadline.
	Continue to develop the Saskatchewan Management Plus (SMP) program	7.1 million acres were reported through SMP. This compares to a four-year average of 5.6 million acres.
To identify opportunities for new innovative products or services to meet industry needs	Maintain awareness of agriculture industry changes and identify opportunities to develop products to meet industry needs	The Winter Cereal Canada, Saskatchewan timothy hay producers, Canadian Hay Association, Irrigation Crop Diversification Corporation, Saskatchewan Agriculture and Food and Agriculture and Agri-Food Canada are examples where industry participated in program design for 2004-2005.

Strategic Goal 2: Financial Management

Effective and efficient public service, contributing to government goals and objectives

Objective	Strategic Initiative	Performance Measure
To ensure sound financial program management	Prudent receivables management	96.0 per cent of 2004 producer premiums were collected. This compares to a 97.1 per cent average for the previous five years. The remainder are subject to the collection procedures as per the contract of insurance.
		In total, 330 contracts were cancelled for non-payment at the end of 2004-2005, representing one per cent of all contract holders. This compares to 362 contracts cancelled in 2003-2004 and the average of 259 for the previous five-year period.
	Maintain and develop partnerships with third party agencies	Third party services offered on a cost-recovery basis in 2004 generated revenue of $219,131. This compares to $177,700 in 2003 and $228,000 in 2002. Crop Insurance completed third party work for eight outside agencies. Staff spent 4,067 hours completing third party revenue generation work in 2004-2005. This compares to 3,515 hours in 2003-2004 and 3,887 in 2002-2003.
	Ensure appropriate reinsurance is in place as defined by government stakeholders	The corporation has reinsurance in place as per Schedule 3 to Annex B of the Agriculture Policy Framework Implementation Agreement.

<table>
<tr><th>Objective</th><th>Strategic Initiative</th><th>Performance Measure</th></tr>
<tr><td></td><td>Use premium and coverage methodologies that have been actuarially certified</td><td>There were no major deficiencies identified that resulted in significant federal/provincial material holdback of premium.</td></tr>
<tr><td>To be proactively accountable to our stakeholders</td><td>Report the strategic direction and plan including actions, performance and achievements to stakeholders</td><td>The Crop Insurance board of directors received quarterly corporate plan progress reports.</td></tr>
<tr><td></td><td>To develop privacy statements and policies for Crop Insurance under the privacy legislation including the Personal Information Protection and Electronic Documents Act and Freedom of Information and Protection Privacy Act</td><td>All initiatives were completed on time. A Crop Insurance privacy policy brochure was sent to all customers in March 2005.</td></tr>
<tr><td></td><td>To be proactively accountable to our stakeholders by ensuring the integrity of the program</td><td>Over the 2004 crop year, the audit division performed 1,956 audits identifying $1.587 million in indemnity differences when claims were adjusted.</td></tr>
<tr><td>To ensure administrative fiscal responsibility</td><td>Quantify and manage long-term indemnity risk</td><td>The corporation continues to use and refine an indemnity prediction model that provides an estimation of total, yearly indemnity payments.

There were a total of 2,386 claims completed by declaration. 91 per cent of those claims were within corporate tolerance levels. Claims that were outside of the tolerance level were verified. The majority of issues identified during verification were not due to producers over or under estimating declared yields but to internal process errors.</td></tr>
<tr><td></td><td>Provide updates on actual expenditures on a timely basis</td><td><table><tr><th>2004-2005</th><th>Saskatchewan</th><th>Canada</th></tr><tr><td>Admin to liability</td><td>1.27%</td><td>1.32%</td></tr><tr><td>Admin to premiums</td><td>8.96%</td><td>11.48%</td></tr><tr><td>Admin per acre insured ($)</td><td>.91</td><td>1.71</td></tr><tr><td>Admin per contract ($)</td><td>816.00</td><td>993.00</td></tr></table></td></tr>
</table>

Strategic Goal 3: Infrastructure and Internal Business Processes

Effective and innovative delivery of programs and services

Objective	Strategic Initiative	Performance Measure
To capture and analyze industry feedback in order to provide more effective programs and service delivery	Implement a method of tracking and addressing customer concerns and issues to improve customer service in an effort to provide effective programs	The appeal panel and the Provincial Ombudsman identified inconsistencies in how uninsured causes of loss due to insects was applied. As a result, the corporation reinforced existing policies and procedures to address these concerns.
To ensure our infrastructure meets the evolving needs for our core business	Evaluate current business processes and projects for online application to comply with government online and provincial technology initiatives	As of March 31, 2005, there were 2,559 customers enrolled in CropConnect compared to 1,637 on March 31, 2004. There were 44,792 visitors to the Crop Insurance website, www.saskcropinsurance.com. The average number of visits per day was 425.
To continue to focus on quality, improving efficiency and productivity	Implement strategies to identify efficient process improvements	The corporation developed an operational management team to review processes, identify efficiencies and recommend areas of improvement. Progress under this initiative continues for 2005-2006.
	Provide efficient customer service by keying customer claims at source	For the 2004 crop year, 41 per cent of yield-loss claims were keyed at source. This compares to 37 per cent of yield-loss claims in 2003-2004 and 35 per cent in 2002-2003.

Strategic Goal 4: Learning and Growth

A learning organization and workplace of choice investing in staff to enhance their capability to reach their potential

The above goal is part of Saskatchewan Crop Insurance's strategic plan but is internally focused with accountability directed to internal stakeholders.

2004-2005 Financial Results

The 2004-2005 financial statements can be found starting on page 23 of this annual report.

Saskatchewan Crop Insurance is a provincial Crown Corporation and receives funding through an appropriation of the Legislature for premium contributions, administration and interest charges on the provincial share of the program deficit. The corporation is required to present actual and budgeted provincial expenditures and explain the variances.

Premiums are cost-shared by the federal and provincial governments and producers, therefore only the provincial share of premiums is included in the budget. Federal government and producer premiums are paid directly to the corporation. Specific amounts are not budgeted for annual claim costs as the premium setting and reinsurance arrangements are actuarially certified to provide adequate revenue to meet these expenses in the long term.

Program delivery costs, or administration expenses, are paid 60 per cent by the federal government and 40 per cent by the provincial government. The federal share of these costs is paid directly to the province's General Revenue Fund. The budget amount reflects 100 per cent of the estimated cost in order to provide for both the provincial amount and transfer of the federal contribution.

Saskatchewan Finance charges Saskatchewan Crop Insurance with interest on the provincial share of the current program deficit to the corporation. However, the Canada-Saskatchewan Production Insurance Agreement stipulates that each level of government is responsible for the interest costs on their own share of any deficit. In order to pay Saskatchewan Finance, the corporation must receive an appropriation in the budget.

The following information provides an explanation of the budgeted and actual amounts derived from the Government of Saskatchewan.

	2004-05 Estimates $000s	2004-05 Actuals $000s	Variances over (under) $000s	Notes
Program Delivery	$ 25,500	$ 25,600	$ 100	—
Crop Premiums	79,024	72,953	(6,071)	1
Interest Subsidy	5,800	6,117	317	2
	$110,324	$104,670	($ 5,654)	

Notes:

1. Insured acres were down by one million acres from the budget (29.9 million to 28.9 million) and the average coverage level dropped from the forecasted 71 per cent to 70 per cent.

2. Financing costs associated with the Crop Reinsurance Fund debt and the Crop Insurance Fund cash flow deficits were higher than the budget due to claims being greater than anticipated.

Strategic Goal 1: Customer Products and Services

Strong risk management programs and services responding to customer and industry needs to support prosperous, environmentally sustainable, agriculture production and processing industries

Objective 1: To provide valuable and innovative core risk management programs and services to customers

Strategic Initiatives	Performance Measures
Research and implement strategies outlined in the Agriculture Policy Framework	Number of programs implemented or program enhancements made
Provide insurance products to meet changing customer needs	Percentage of insured acres compared to seeded acres for annual crops and long-term trends Average coverage level purchased on insured crops and long-term trends Percentage of insured crops to seeded crops Number of acres insured in the Annual Crop Weather Based Insurance Program

Objective 2: To support diversification, livestock and industry expansion through program development

Strategic Initiatives	Performance Measures
Research insurance options for forage producers	Percentage of insured forage acres to forage acres seeded as compared to long-term trends Number of acres insured in the Forage Rainfall Insurance Program compared to previous years Number of acres insured in the Corn Heat Unit Pilot Program compared to previous years

Objective 3: To ensure customers have the best crop insurance information available to enable them to make farm management decisions

Strategic Initiatives	Performance Measures
To provide program materials to ensure awareness and understanding of the crop insurance program	Program materials delivered on time
Continue to expand and develop the Saskatchewan Management Plus (SMP) program	Number of acres enrolled in the SMP program compared to previous years

Objective 4: To identify opportunities for new innovative products or services to meet industry needs

Strategic Initiatives	Performance Measures
Maintain awareness of agriculture industry changes and identify opportunities to develop products to meet industry needs	Number of value-added program opportunities identified

Strategic Goal 2: Financial Management

Effective and efficient public service, contributing to government goals and objectives

Objective 1: To ensure sound financial management

Strategic Initiatives	Performance Measures
Prudent receivables management	Ratio of current year's premiums collected to invoiced compared to long-term trends
Maintain and develop partnerships with third party agencies	Amount of third party revenue generated compared to long-term trends Number of hours staff spend on completing third party generation work compared to long-term trends Number of agencies Crop Insurance has a contract with
Ensure appropriate reinsurance is in place as defined by government stakeholders	Expected payback period for federal-provincial reinsurance funds
Adhere to sound insurance practices and actuarial principles	Number of instances of material shortcomings or limitations recorded in certifications Commodities affected and magnitude of federal holdbacks due to overdue certification tests

Objective 2: To be proactively accountable to our stakeholders

Strategic Initiatives	Performance Measures
To develop privacy procedures for Crop Insurance under the privacy legislation including the Personal Information Protection and Electronic Documents Act and Freedom of Information and Protection of Privacy Act	Number of procedures implemented
To ensure the integrity of the program	Number of claim compliance audits compared to long-term trends

Objective 3: To ensure fiscal administrative responsibility

Strategic Initiatives	Performance Measures
Manage long-term risk	Number of action plans implemented to manage corporate risk
Provide cost-effective program delivery	Ratios comparing administration expenses to liability, premiums, acres and contracts as compared to long-term trends

Strategic Goal 3: Infrastructure and Internal Business Processes

Effective and innovative delivery of programs and services

Objective 1: To ensure our infrastructure meets the evolving delivery needs of our core business

Strategic Initiatives	Performance Measures
Evaluate business process to develop online business applications	Number of business applications available on CropConnect Crop Insurance website traffic and usage statistics

Objective 2: To continue to focus on quality, improving efficiency and productivity

Strategic Initiatives	Performance Measures
Implement strategies to identify process improvements for customers	Percentage of total claims completed by declaration, number verified, and the results
Provide efficient customer service by keying customer information and claims at source	Percentage of claims keyed at source

Strategic Goal 4: Learning and Growth

A learning organization and workplace of choice investing in staff to enhance their capability to reach their potential

The objectives under this goal focus on employees and the knowledge and tools they need to achieve excellent customer service and personal growth. The objectives and actions of this goal are internally focused. Reporting and accountability for this goal are internally directed.

2005-2006 Budget Overview

The appropriation for Crop Insurance in the 2005-2006 provincial budget has been prepared on the same basis as the 2004-2005 budget and is as follows:

	2005-06 Estimates $000s	Notes
Program Delivery	$ 25,235	1
Crop Premiums	75,055	2
Interest Subsidy	8,900	3
	$109,190	

Notes:

1. Claim volume is expected to be normal in 2005-2006.
2. Premiums are expected to increase over 2004-2005 as insured acres and participation in the weather-based insurance programs are forecasted to increase three per cent and 50 per cent, respectively.
3. The financing costs associated with the Crop Reinsurance Fund debt and the Crop Insurance Fund cash flow deficits are primarily due to the record 2002 claim payments and the August 20, 2004 frost.

Management's Report

Responsibility for Financial Statements

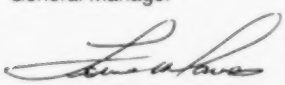
The financial statements of the Saskatchewan Crop Insurance Corporation are the responsibility of management and prepared in accordance with Canadian generally accepted accounting principles applied on a basis consistent with that of the preceding year. Management has applied its best judgment where estimates are required using all information available up to May 26, 2005. Other financial information in the annual report is consistent with that provided in these financial statements.

The corporation's accounting system and systems of internal control are maintained to provide reasonable assurance that transactions are properly authorized and recorded, that assets are properly safeguarded and that the financial information is relevant and reliable.

The corporation's external auditor, KPMG LLP, has audited these financial statements and conducted a review of internal accounting policies and procedures to the extent required to enable them to express an opinion on these financial statements.

The board of directors of the Saskatchewan Crop Insurance Corporation is responsible for overseeing management's performance of its financial responsibilities and has reviewed and approved these financial statements.

Stan Benjamin
General Manager



Lorne Warnes
Executive Manager, Finance and Administration

May 26, 2005

Saskatchewan Crop Insurance Corporation

Auditors' Report

To the Members of the Legislative Assembly
Province of Saskatchewan

We have audited the statement of financial position of the Saskatchewan Crop Insurance Corporation as at March 31, 2005 and the statements of operations and net assets and cash flows for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the corporation as at March 31, 2005 and the results of its operations and its cash flows for the year then ended, in accordance with Canadian generally accepted accounting principles.

KPMG LLP

KPMG LLP
Chartered Accountants
Regina, Canada

May 26, 2005

Saskatchewan Crop Insurance Corporation

Statement of Financial Position

March 31, 2005 with comparative figures for 2004

	2005	2004
Assets		
Cash	$ 150,992	$ 157,793
Investments (note 4)	2,798,628	3,098,558
Due from the Province of Saskatchewan General Revenue Fund (notes 3 and 12)	4,098,234	15,379,366
Accrued interest and other receivables	286,469	190,780
Transfers receivable from Province of Saskatchewan	1,754,079	553,401
Premiums receivable from producers	5,094,792	5,020,768
Premiums receivable from the Province of Saskatchewan	4,644,729	6,004,115
Premiums receivable from the Government of Canada	9,776,485	14,774,247
Indemnities receivable from Crop Reinsurance Fund of Saskatchewan	183,739,341	134,648,203
Indemnities receivable from Crop Reinsurance Fund of Canada for Saskatchewan	26,044,787	4,071,785
Prepaid expenses	213,852	179,527
Capital assets (note 5)	2,068,716	2,539,403
	$240,671,104	$186,617,946
Liabilities and Net Assets		
Accounts payable and accrued liabilities	$ 2,495,013	$ 2,418,203
Deferred indemnities payable	947,563	760,702
Indemnities payable	10,828,541	285,377
Reinsurance premium payable to Crop Reinsurance Fund of Saskatchewan	—	465,375
Loans payable to the Province of Saskatchewan General Revenue Fund (notes 6 and 12)	221,058,406	176,358,838
Deferred administration revenue (note 8)	5,341,581	5,506,372
	240,671,104	185,794,867
Net assets	$ —	$ 823,079
	$240,671,104	$186,617,946

Commitments and contingencies (note 11)
See accompanying notes to financial statements.

On behalf of the Board:

Doug Matthies _____ Chair

Harold Cuderman _____ Vice-Chair

Saskatchewan Crop Insurance Corporation

Statement of Operations and Net Assets

Year Ended March 31, 2005 with comparative figures for 2004

	2005	2004
Revenue		
Premiums:		
Producers	$ 109,053,827	$ 125,612,446
Government of Saskatchewan	72,989,953	89,241,619
Government of Canada	109,460,583	133,764,932
	291,504,363	348,618,997
Less reinsurance premiums ceded:		
Crop Reinsurance Fund of Canada for Saskatchewan	52,193,300	62,263,983
Crop Reinsurance Fund of Saskatchewan (note 1)	34,798,502	41,676,953
	86,991,802	103,940,936
Net premiums	204,512,561	244,678,061
Interest income	1,010,423	832,256
Province of Saskatchewan - General Revenue Fund financing (note 6)	6,116,929	4,865,398
New Crops Loss Recovery (note 1)	3,297,107	—
	214,937,020	250,375,715
Expenses		
Indemnities (note 7)	392,124,346	328,336,024
Bad debts	507,513	1,973,439
Interest expense (note 6)	6,116,929	4,865,398
	398,748,788	335,174,861
Reinsurance Recovery:		
Crop Reinsurance Fund of Canada for Saskatchewan (note 7)	98,633,674	(7,905,564)
Crop Reinsurance Fund of Saskatchewan (note 7)	84,355,015	93,527,789
	182,988,689	85,622,225
Excess (deficiency) of revenue over expenses from insurance operations, before administration revenue and expenses	(823,079)	823,079
Administration revenue:		
Province of Saskatchewan operating grant (note 8)	25,764,791	25,703,855
Other administration revenue	428,268	352,867
	26,193,059	26,056,722
Administration expenses (Schedule 1)	26,193,059	26,056,722
Excess (deficiency) of revenue over expenses	(823,079)	823,079
Net assets, beginning of year	823,079	—
Net assets, end of year	$ —	$ 823,079

See accompanying notes to financial statements.

Saskatchewan Crop Insurance Corporation

Statement of Cash Flows

Year Ended March 31, 2005 with comparative figures for 2004

	2005	2004
Cash Provided by (Used In):		
Operating Activities:		
Excess (deficiency) of revenue over expenses	$ (823,079)	$ 823,079
Item not affecting cash:		
Amortization	1,040,262	1,244,577
Change in non-cash operating items:		
Accrued interest and other receivables	(95,689)	94,887
Premiums receivable from producers	(74,024)	(1,542,154)
Premiums receivable from the Province of Saskatchewan	1,359,386	(3,951,747)
Premiums receivable from the Government of Canada	4,997,762	(10,217,931)
Indemnities receivable from Crop Reinsurance Fund of Saskatchewan	(49,091,138)	(51,850,836)
Indemnities receivable from Crop Reinsurance Fund of Canada for Saskatchewan	(21,973,002)	84,087,854
Prepaid expenses	(34,325)	(105,948)
Accounts payable and accrued liabilities	76,810	(1,437,126)
Deferred indemnities payable	186,861	(10,955,506)
Indemnities payable	10,543,164	(56,114,623)
Reinsurance premium payable to Crop Reinsurance Fund of Saskatchewan	(465,375)	(8)
Deferred administration revenue	(164,791)	(703,855)
	(54,517,178)	(50,629,337)
Financing:		
Decrease (increase) in transfers receivable from the Province of Saskatchewan	(1,200,678)	362,469
Proceeds from loans payable to the Province of Saskatchewan - General Revenue Fund	182,699,568	176,111,029
Repayments of loans payable to the province of Saskatchewan - General Revenue Fund	(138,000,000)	(112,100,000)
	43,498,890	64,373,498
Investment Activities:		
Purchase of capital assets	(569,575)	(529,936)
Increase (decrease) in cash and cash equivalents	(11,587,863)	13,214,225
Cash and cash equivalents, beginning of year	18,635,717	5,421,492
Cash and cash equivalents, end of year	$ 7,047,854	$ 18,635,717
Represented by:		
Cash	$ 150,992	$ 157,793
Investments	2,798,628	3,098,558
Due from Province of Saskatchewan General Revenue Fund	4,098,234	15,379,366
	$ 7,047,854	$ 18,635,717

See accompanying notes to financial statements.

Saskatchewan Crop Insurance Corporation

Administration Expenditures

Year Ended March 31, 2005 with comparative figures for 2004

Schedule 1

	2005	2004
Adjusting and grain grading wages and expenses	$ 8,183,104	$ 7,943,415
Advertising	447,122	533,883
Amortization	1,040,262	1,244,577
Appeal Panel and Board of Directors meetings	115,510	117,158
Collection fees	12,003	22,339
Computer	1,959,425	1,473,716
Office rental	1,078,571	1,045,854
Office supplies and duplicating	440,254	439,447
Other	308,653	301,698
Postage	376,907	430,657
Professional fees	552,545	382,094
Salaries and benefits	10,550,385	11,010,386
Telephone	290,726	283,045
Travel and sustenance	837,592	828,453
	$ 26,193,059	$ 26,056,722

See accompanying notes to financial statements.

Notes to Financial Statements

March 31, 2005

1. Status of the corporation:

The Saskatchewan Crop Insurance Corporation (the Corporation), a provincial Crown Corporation, was established under *The Crown Corporations Act* and continued under *The Crop Insurance Act*.

The Corporation administers the federal/provincial Crop Insurance Program. In addition, on behalf of the Saskatchewan Agricultural Stabilization Fund, the Corporation administers the Waterfowl Damage Compensation, New Crops Insurance, Big Game Damage Compensation, and Canada-Saskatchewan Assistance accounts. The financial results of the Saskatchewan Agricultural Stabilization Fund are reported separately.

The Canada-Saskatchewan Production Insurance Agreement requires that reinsurance funds be established by the Government of Canada and the Government of Saskatchewan. These reinsurance funds receive reinsurance premiums from the Corporation and, under certain circumstances, pay reinsurance benefits to the Corporation.

Crop insurance rates and reinsurance premiums are set such that the Crop Insurance Program is actuarially sound over the long term. Any indemnities receivable, in excess of assets within the Crop Reinsurance Fund of Saskatchewan, will be recovered through future reinsurance premiums paid by the Corporation. If these future reinsurance premiums are insufficient to pay reinsurance benefits and repay this receivable, the Government of Saskatchewan is required to fund any deficiency.

The Crop Reinsurance Fund of Saskatchewan is administered by the Corporation. The operations, assets and liabilities of this reinsurance fund are reported in separate financial statements as required by the Canada-Saskatchewan Crop Insurance Agreement.

As a crown entity, the Corporation is not subject to federal or provincial income tax, or federal goods and services tax.

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

Capital assets:
Capital assets are capitalized and amortized over their useful lives. They are recorded on the balance sheet at their net book value.

Amortization is charged against operations, and is provided on a straight line basis over the estimated useful lives of the assets.

The rates of amortization are:

Equipment	20%
Leasehold improvements	20%
Computer equipment	20%

Cash and cash equivalents:
Cash and cash equivalents consist of cash, short-term investments with a maturity of 90 days or less and the Corporation's insurance fund bank account which is included in the Consolidated Offset Bank Concentration arrangement for the Government of the Province of Saskatchewan (note 3).

Investments:
Investments are recorded at cost less any writedown required to reflect a permanent impairment in value, which is considered other than temporary in nature.

Indemnities payable:
Indemnities payable represents estimates of the total cost of outstanding claims at the year-end date. Measurement of the indemnities payable is uncertain as all of the necessary information for reported claims is not always available as of the year-end and therefore estimates are made as to the value of these claims. As a result, indemnities payable are selected from a range of possible outcomes and actual results may differ materially from the estimate.

Premium revenue recognition:
Crop insurance is a cost-shared program. Premium payments, for each of the last two years, are cost-shared as follows:

Year	Producers %	Federal Gov't. %	Provincial Gov't. %
2004-05			
Base (50%) coverage	20	48	32
Buyup (60-80%) coverage	50	30	20
Rainfall	37	37.8	25.2
2003-04			
Base (50%) coverage	19	48.6	32.4
Buyup (60-80%) coverage	48	31.2	20.8
Rainfall	37	37.8	25.2

Premiums, including the producer and federal and provincial governments' contributions, are recognized as income when invoiced to producers.

Use of estimates:
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ materially from those estimated.

Notes to Financial Statements

March 31, 2005

3. Due from Province of Saskatchewan General Revenue Fund:

The Corporation's insurance bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of the Province of Saskatchewan.

Interest is earned on these funds at the government's thirty day borrowing rate, and is based on the Corporation's average daily account balance. Interest is paid by the Province of Saskatchewan General Revenue Fund to the Corporation on a quarterly basis. During the current year, the average rate was 2.19% (2004 - 2.79%).

4. Investments:

The Corporation's investments are in term deposits maturing during the first week of April, 2005 with effective interest rates of 2.55% (2004: first week of April, 2004 and 2.25%, respectively).

5. Capital assets:

	Cost	Accumulated Amortization	2005 Net Book Value	2004 Net Book Value
Equipment	$ 2,743,516	$ 2,589,454	$ 154,062	$ 285,115
Leasehold improvements	873,908	735,432	138,476	188,525
Computer equipment	16,748,245	14,972,067	1,776,178	2,065,763
	$ 20,365,669	$ 18,296,953	$ 2,068,716	$ 2,539,403

6. Loans payable to the Province of Saskatchewan General Revenue Fund:

At March 31, 2005 the Crop Reinsurance Fund of Saskatchewan is in a deficit position, and significant reinsurance recoveries are receivable from the Crop Reinsurance Fund of Canada for Saskatchewan. As a result, the General Revenue Fund has provided three loans to the Corporation.

The first loan is for $121,578,798 (2004 - $77,000,000) from a line of credit established with the Province of Saskatchewan's General Revenue Fund. Interest is charged to the Corporation on a quarterly basis at the Province's short term borrowing rate, which averaged 2.42 % (2004 - 2.86 %). This loan is due June 30, 2005.

The second loan is for $49,548,949 (2004 - $49,448,379) and bears interest at the rate of 4.75% (2004 - 4.75%). Interest on this loan is financed by an appropriation from the General Revenue Fund. This loan has a maturity date of September 24, 2009.

The third loan is for $49,930,658 (2004 - $49,910,459) and bears interest at the rate of 3.90% (2004 - 3.90%). Interest on this loan is financed by an appropriation from the General Revenue Fund. This loan has a maturity date of September 5, 2008.

These loans may be retired earlier or extended based on the operating results of the insurance program.

7. Finalization of prior year's indemnities payable:

Due to weather conditions, a significant number of 2004 crop year claims could not be finalized by March 31, 2005.

The cost of these claims was estimated to be $10.8 million and were included in the Corporation's March 31, 2005 financial statements.

8. Deferred administration revenue:

Under the terms of federal-provincial agreements, eligible administration revenue and expenses are shared 60% by the Government of Canada and 40% by the Government of the Province of Saskatchewan.

Government of Canada contributions are paid to the Government of the Province of Saskatchewan General Revenue Fund, which remits them to the Corporation.

To the extent this funding was not required to pay administration fund expenses of the current year it has been deferred and shown as deferred administration revenue and will be used to fund future administration expenses.

Details of administration funding received and recorded as revenue follows:

	2005	2004
Deferred administration revenue, beginning of year	$ 5,506,372	$ 6,210,227
Province of Saskatchewan General Revenue Fund net operating grant received	25,600,000	25,000,000
Net operating grant recorded as revenue	(25,764,791)	(25,703,855)
Deferred administration revenue, end of year	$ 5,341,581	$ 5,506,372

Notes to Financial Statements

March 31, 2005

9. Pension plans:

The Corporation's employees participate in either the Public Service Superannuation Plan, a multi-employer defined benefit pension plan, or the Public Employees Pension Plan, a multi-employer defined contribution pension plan. Pension costs of $684,877 (2004 - $717,801) are included in salaries and benefits and comprise the cost of employer contributions for current service of employees during the year.

The Corporation's liability is limited to the required contributions.

10. Related party transactions:

Included in these financial statements are transactions with various Saskatchewan crown corporations, departments and agencies related to the Corporation by virtue of common control exercised by the Government of the Province of Saskatchewan.

In addition, one of the Corporation's directors is a partner in an organization which provided professional services to the corporation. During the current year these services amounted to $293,258 (2004 - $170,511).

Routine operating transactions with related parties are measured at agreed upon exchange rates under normal trade terms. These financial statements include the following balances from and transactions with related parties:

	2005	2004
Accounts payable and accrued liabilities	$ 230,415	$ 215,671
Administration expenses	5,128,950	5,206,262

Other related party transactions are disclosed elsewhere in these financial statements.

11. Commitments and contingencies:

Commitments:
The Corporation is committed to the Saskatchewan Property Management Corporation, a related crown entity, for several leases for office space with annual payments of $1,075,527. The leases are currently renewable on an annual basis.

The Corporation is also committed to other corporations for the purchase of weather data and the lease of equipment for weather stations around Saskatchewan. Minimum payments are $443,300 for each of the next two years, and $208,300 for each of the two following years.

Contingencies:
Pursuant to *The Canada-Saskatchewan Production Insurance Agreement*, in the event the agreement is terminated and no new agreement is entered into, all capital assets funded by the agreement shall be disposed of and the proceeds shall be shared equally by the Government of the Province of Saskatchewan and the Government of Canada. As of March 31, 2005, all capital assets owned by the Corporation had been funded by this agreement.

Various legal actions for additional crop insurance indemnity payments have been initiated against the Corporation. Presently, the Corporation is actively defending these cases. While the outcome of these claims cannot be determined, management is of the opinion that the result of these actions will not have a material impact on the Corporation's financial position.

12. Fair value of financial assets and financial liabilities:

Collection of the amounts due from the Crop Reinsurance Fund of Saskatchewan are dependent upon the level of future reinsurance premiums ceded and reinsurance recoveries and, accordingly, their fair value cannot be estimated.

Based on current market rates for similar debt, the fair value of the Corporation's loans payable to the Province of Saskatchewan General Revenue Fund is approximately $226,800,000 (2004 - $180,900,000).

The fair value of all other financial assets and liabilities approximates their carrying value due to their short-term nature.

Crop Reinsurance Fund of Saskatchewan

Auditors' Report

To the Members of the Legislative Assembly
Province of Saskatchewan

We have audited the statement of financial position of the Crop Reinsurance Fund of Saskatchewan as at March 31, 2005 and the statement of operations and deficiency for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the fund as at March 31, 2005 and the results of its operations and its cash flows for the year then ended, in accordance with Canadian generally accepted accounting principles.

KPMG LLP

KPMG LLP
Chartered Accountants
Regina, Canada

May 26, 2005

Crop Reinsurance Fund of Saskatchewan

Statement of Financial Position

March 31, 2005 with comparative figures for 2004

	2005	2004
Assets		
Due from Province of Saskatchewan General Revenue Fund (note 3)	$ 512	$ 512
Reinsurance premium receivable from Saskatchewan Crop Insurance Corporation	—	465,375
	$ 512	$ 465,887
Liabilities and Deficiency		
Indemnities payable to Saskatchewan Crop Insurance Corporation	$ 183,739,341	$ 134,648,203
Deficiency	(183,738,829)	(134,182,316)
	$ 512	$ 465,887

See accompanying notes to financial statements.

On behalf of the Board:

Doug Matthies Chair

Harold Cushon Vice-Chair

Crop Reinsurance Fund of Saskatchewan

Statement of Operations and Deficiency

Year Ended March 31, 2005 with comparative figures for 2004

	2005	2004
Revenue		
Reinsurance premium ceded from the Saskatchewan Crop Insurance Corporation	$ 34,798,502	$ 41,676,953
Expenditure		
Reinsurance claim from Saskatchewan Crop Insurance Corporation	84,355,015	93,527,789
Deficiency of revenue over expenses	(49,556,513)	(51,850,836)
Deficiency, beginning of year	(134,182,316)	(82,331,480)
Deficiency, end of year	$(183,738,829)	$(134,182,316)

See accompanying notes to financial statements.

Notes to Financial Statements

March 31, 2005

1. Status of the fund:

The Canada-Saskatchewan Crop Insurance Agreement between the Government of the Province of Saskatchewan and the Government of Canada provides for the establishment of two reinsurance funds:

a) The Crop Reinsurance Fund of Saskatchewan which is administered by the Government of the Province of Saskatchewan, and

b) The Crop Reinsurance Fund of Canada for Saskatchewan which is administered by the Government of Canada.

2. Significant accounting policies:

Reinsurance premium ceded from the Saskatchewan Crop Insurance Corporation:
Under the terms of the agreement referred to in note 1, the Saskatchewan Crop Insurance Corporation is required to pay reinsurance premiums to the reinsurance funds based on premiums received during the insurance year.

Liability for claim payments from the reinsurance funds:
Under the terms of the agreement referred to in note 1, payments are required from the reinsurance funds if indemnities which were required to be paid in an insurance year exceeded the aggregate of:

a) the premium receipts for the year less reinsurance premiums ceded, and

b) the net assets of the Saskatchewan Crop Insurance Corporation's Crop Insurance Fund.

To the extent that payments are required out of the reinsurance funds, the Crop Reinsurance Fund of Saskatchewan is responsible for an amount not exceeding 2½% (2004 - 3½%) of the total liability under policies in force in the insurance year. However, the Crop Reinsurance Fund of Saskatchewan is not required to pay any amounts if it has made a payment in previous years and the payment that has not yet been recovered from its operations exceeds 16.67% of the total liability of the policies in force for the current year.

The balance of indemnities that exceed the net assets in the Saskatchewan Crop Insurance Corporation are shared 75% by the Reinsurance Fund of Canada for Saskatchewan and 25% by the Reinsurance Fund of Saskatchewan.

Crop insurance rates and reinsurance premiums are set such that the Crop Insurance Program is actuarially sound over the long term. Any indemnities payable to the Saskatchewan Crop Insurance Corporation, in excess of assets within the Crop Reinsurance Fund of Saskatchewan, will be recovered through future reinsurance premiums paid by the Saskatchewan Crop Insurance Corporation. If these future reinsurance premiums are insufficient to allow the Crop Reinsurance Fund of Saskatchewan to repay this payable, the Government of Saskatchewan is required to fund any deficiency.

Indemnities payable to Saskatchewan Crop Insurance Corporation:
This includes estimates of the total cost of outstanding claims at the year-end date. Measurement of the indemnities payable is uncertain as all of the necessary information for reported claims is not always available as of the year-end and therefore estimates are made as to the value of these claims. As a result, indemnities payable are selected from a range of possible outcomes and actual results may differ materially from the estimate.

Use of estimates:
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ materially from those estimated.

3. Due from Province of Saskatchewan General Revenue Fund:

The Crop Reinsurance Fund bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of the Province of Saskatchewan.

Interest earned on these funds is not allocated to the Crop Reinsurance Fund.

4. Statement of cash flows:

A statement of cash flows has not been prepared as a separate statement as it would not provide additional, useful information.

5. Fair value of financial assets:

Settlement of the reinsurance premium receivable from, and indemnities payable to, the Saskatchewan Crop Insurance Corporation is dependent upon the level of future reinsurance premiums ceded and indemnities payable, and, accordingly their fair values cannot be estimated.

Appendix 1: 2004-2005 Saskatchewan Crop Insurance Program

Saskatchewan Crop Insurance assists producers in managing their operation's risk over the crop year. The regular, multi-peril Crop Insurance program guarantees customers a minimum yield and quality of grain while additional program options allow producers to tailor their coverage to their operation. The following is a summary of the Crop Insurance program that was available to producers in 2004-2005.

Insured Perils

Crop Insurance offers coverage against specific uncontrollable natural perils: drought, excessive rain, flood, hail, frost, snow, wind, lightning, hurricane, tornado, accidental fire, damage caused by wildlife, insects and plant disease. If the loss is due to farm management practices, the non-performance of a third party's products or third party damage, coverage may be reduced or denied.

Insurable Crops

Under the regular, multi-peril program, insurable crops in 2004 were: hard red spring wheat, extra strong red spring wheat, Canada Prairie spring wheat, durum, winter wheat, barley, oats, canary seed, flax, canola, fall and spring rye, sunflowers, mustard (yellow, brown and oriental), field peas, lentils (large green, red and other), triticale and fababeans.

Insurable forage crops were tame hay, greenfeed, dehydrated alfalfa and sweetclover. The Forage Rainfall Insurance Program provided single-peril coverage on native grass and tame grazing acres. The Corn Heat Unit Pilot Program insured feed corn in designated areas in the province.

New Crops Insurance provided protection on alfalfa seed, biennial caraway, coriander, Khorasan wheat, dry beans (irrigated including pinto, black and others and non-irrigated including pinto and black), chickpeas (Desi, small and large seed Kabuli) and potatoes.

Crops not insurable under the multi-peril, forage or new crops programs may be eligible for coverage under the Diversification Option.

Insured Price

For most crops, the insured price is the forcasted average price a commodity will sell for during the crop year as determined by Agriculture and Agri-Food Canada.

Premium Cost Sharing and Coverage Levels

Crop Insurance premiums are cost-shared between producers and the federal and provincial governments.

In 2004, premium cost sharing reflected the 60 per cent federal – 40 per cent provincial share of government premiums to be implemented by 2006 under the Agriculture Policy Framework.

	Base Coverage	Buy-Up Coverage
Producers	20%	50%
Government of Saskatchewan	32%	20%
Government of Canada	48%	30%

Base coverage is 50 per cent of a producer's average yield while buy-up coverage is 60, 70 and 80 per cent. The cost sharing for buy-up coverage only applies to the incremental cost above the base level. Certain crops are not eligible for 80 per cent coverage based on a lack of data to predict probable yields.

Crop Insurance's Low Price Option (LPO) allows customers to select any level of coverage at a reduced cost. Under the LPO, premiums and coverage are based on 85 per cent of the insured base price without lowering the claim threshold.

Individual Coverage

Producers are guaranteed a minimum yield based on the coverage selected as a percentage of their personal yield experience for each crop insured. Area averages are used for customers without sufficient verifiable historical information upon which to base their initial coverage.

Each year a customer grows an insured crop, their long-term individual yield is updated to reflect their experience for future coverage. The customer's long-term individual yield is updated by using 90 per cent of their previous average plus 10 per cent of their new annual yield. There is a one-year lag in this calculation.

Beginning in 2004, individual coverage and applicable premium discounts and surcharges were applied to chickpea coverage under the New Crops program. Individual production information rather than the provincial average yields was used to establish coverage.

The Management Experience Transfer (MET) is used to establish a starting yield based on a producer's farm

management abilities for a crop where no individual yield was previously established. The area average is adjusted by an index of the producer's personal yield experience versus the area yields for the other crops the producer has grown and insured. Once yields are established, they are updated with individual production information, providing individual coverage.

Production and Quality Guarantee

Since Crop Insurance guarantees a minimum yield based on a customer's long-term individual yields and coverage option selected, yield-loss payments are based on the shortfall between the production guarantee and the harvested yield plus any appraisals applied to acres put to any use other than harvesting.

Quality is considered when calculating yield loss on most insurable crops, compensating for grade loss. Designated grades are established based on the historical average grade of each crop produced in Saskatchewan. When the grade of the harvested production is lower than the designated grade, the production is adjusted downward by a quality factor, increasing the value of the claim.

Establishment and Unseeded Acreage Benefits

Insurance coverage includes crops that fail to establish and acres unseeded due to excessive spring moisture. The Establishment Benefit is provided on crops that fail to adequately establish or suffer significant damage due to insurable causes prior to June 20. Under the Unseeded Acreage feature, producers who are unable to seed their normal number of acres by June 20 due to excessive moisture may be eligible for a per acre payment.

Winterkill Coverage

Winterkill coverage is a separate option for fall-seeded crops. Producers have until August 25 to select winterkill insurance on crops seeded by September 25. Yield-loss coverage can be selected in the spring of the harvest year, subject to a spring establishment inspection.

Irrigation Coverage

Coverage is higher and premiums are lower for irrigated crops, reflecting the reduced production risk. The irrigation schedule and application is inspected to ensure effectiveness throughout the growing season. Drought is not an insurable cause of loss on irrigated acres. To insure irrigated acres, all acres of that crop must be insured whether produced on irrigated or dry land. For 2004-2005, 40,734 irrigated acres were insured on 146 contracts.

Diversification Option

The Diversification Option is available on crops that are not insurable under regular, multi-peril or the New Crops insurance programs though customers must have acres enrolled in the regular program to be eligible. Coverage levels, premium and any claims paid for the diversified crop grown are equal to the average coverage, premium and any claims paid on all acres insured under the regular program.

In 2004, 8,806 diversification acres were insured under 97 contracts as compared to 7,473 acres under 75 contracts in 2003.

Diversification Option Historical Participation

Year	Insured Acres
1995	4,798
1996	2,480
1997	4,066
1998	5,517
1999	3,109
2000	2,199
2001	2,099
2002	3,316
2003	7,473
2004	8,806

Pedigree Seed Option

For members of the Certified Seed Growers Association, the Pedigree Seed Option offers a higher price option for insurable crops and a quality adjustment if the germination of the seed produced is below certified seed standards. Producers selecting this option must select the same coverage at the same level as they have selected on their commercial crops. There were 157,050 pedigree acres insured under 222 contracts in 2004-2005.

Organic Crop Option

Organic insurance coverage is available for certified organic producers. Organic prices are set higher than commercial crops based on markets; yields are reduced and premium rates are higher to reflect the increased risk. Coverage includes the Organic Reseeding Benefit, in the event that organic crops have to be worked down by July 15 due to excessive weeds.

In 2004, Crop Insurance adjusted organic long-term area stubble yields versus conventional stubble yields to more accurately reflect current production and comply with actuarial guidelines. Individual production information was used when provided by the customer.

In 2004, 500 contracts insured 167,247 acres under the Organic Crop Option.

Organic Crop Option Historical Participation

Year	Insured Acres
1995	11,058
1996	11,982
1997	12,857
1998	21,763
1999	28,333
2000	50,439
2001	79,297
2002	110,476
2003	172,032
2004	167,247

Forage Insurance Program

Crop Insurance's Forage Insurance protects tame hay, greenfeed, dehydrated alfalfa and sweetclover for yield loss. The Forage Establishment Benefit Option is available as an optional rider, providing establishment coverage on acres seeded to alfalfa, alfalfa/grass, grass, red clover and sweetclover.

New for 2004, Crop Insurance piloted an establishment benefit on native forage acres enrolled under the federal Greencover Canada Program.

Weather-Based Programs

Saskatchewan Crop Insurance continues to develop and enhance weather-based insurance programs, innovative insurance products that are easy to understand and administer. Weather-based programs are not based on individual production; claims are automatically calculated based strictly on the data gathered at designated weather stations. Quality control measures include verification of all data by Environment Canada.

The Forage Rainfall Insurance Program (FRIP) protects grazing acres against below-average seasonal precipitation. FRIP claims are calculated when the weighted precipitation between April 1 and July 31 falls below 80 per cent of normal.

Based on producer feedback, a number of enhancements were made to FRIP for 2004. Customers could choose between three monthly weightings to better represent timely precipitation required for their individual operations. Producers could also choose to cap the maximum precipitation at either 125 or 150 per cent of normal; any precipitation greater than the selected cap would not be included in the indemnity calculations. Twelve additional weather stations were also added for a total of 131.

The Annual Crop Weather Based Insurance Program protects annual crops in the event of significant precipitation shortfalls and early fall frost. The options available were revised for 2004 to include a $10 or $25 per acre top-up on acres insured under the regular, multi-peril program, improving existing coverage, and a stand-alone option at $75 per acre. Pilot area restrictions were removed from the stand-alone option and twelve weather stations were added to the program to bring the total eligible for selection to 129.

For the Annual Crop Weather Based Insurance Program, precipitation payments are calculated when the weighted precipitation between May 1 and August 31 falls below 70 per cent of normal. Early fall frost claims are triggered when frost occurs after the midpoint of the growing season but before the average first fall frost date, less three days. In the event that both claim types are triggered, only the greater of the two indemnities is paid.

New for 2004 and available in designated areas, the Corn Heat Unit Pilot Program insures feed corn producers against a lack of required heat units over the growing season. The corn heat unit is a standard North American formula modified to measure the maturity of corn. The normal value is determined to be 2,100 corn heat units and enrolled customers are insured from May 1 until the minimum daily temperature first reaches -2° C or less after July 1. For every 20 corn heat units below 2,100, a per cent of liability is paid to a maximum of 80 per cent.

Complete program information is available from Saskatchewan Crop Insurance.

Appendix 2: New Crops Insurance Account

The New Crops Insurance Account was established in 1996 to develop programs that support the diversification efforts of Saskatchewan producers.

Crops insured under the regular multi-peril program are subject to actuarial review to ensure premiums and coverage offered are based on historical experience and ensure the long-term sustainability of the program. Premium rates are loaded to provide for deficit recovery or reserve accumulation.

The New Crops Insurance Account provides insurance on crops where there is limited production data for an actuary to review. Premiums and coverage are determined based on available information which may include proxy data from other jurisdictions or similar crops. Over time, rates and coverages are adjusted to reflect the increased amount of data available and new crops may be transitioned into the regular Crop Insurance program.

This account provides funded reinsurance for new crops. The premiums charged are not required to include deficit recovery or reserve accumulation loads. This is considered an important aspect of gaining producer support, modifying and improving insurance products provided and building actuarial data to sustain these programs over the long term.

In 2004-2005, the crops covered under this reinsurance program were alfalfa seed, caraway, coriander, Khorasan wheat and non-irrigated dry beans.

New Crops Insurance Account

Contributions, Interest and Claims By Crop Year (000's)

	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	Total
Opening Balance	$ -	$5,000	$10,190	$26,271	$27,443	$24,220	$23,153	$9,047	$9,292	$ -
Contributions										
Saskatchewan	5,000	5,000	-	-	-	-	-	-	-	10,000
Canada	-	-	15,000	-	-	-	-	-	-	15,000
Interest	-	190	1,081	1,284	1,568	866	605	245	192	6,031
	5,000	5,190	16,081	1,284	1,568	866	605	245	192	31,031
Expenditures										
Reinsurance Premiums	-	-	-	-	(1,050)	(1,733)	-	-	-	(2,783)
New Crops Program Deficit	-	-	-	(112)	(3,741)	(200)	(1,074)	-	(3,297)	(8,424)
Transfer for Crop Insurance Fund	-	-	-	-	-	-	(13,637)	-	-	(13,637)
	-	-	-	(112)	(4,791)	(1,933)	(14,711)	-	(3,297)	(24,844)
Ending Balance	$ 5,000	$10,190	$26,271	$27,443	$24,220	$23,153	$ 9,047	$9,292	$6,187	$ 6,187

Appendix 3: Wildlife Damage Compensation Program

Saskatchewan Crop Insurance administers the Wildlife Damage Compensation Program under the Agriculture Policy Framework (APF) on behalf of the federal and provincial governments. Financial reporting for the program is included in the financial statements of the Agricultural Stabilization Fund under the department of Agriculture and Food.

Under the Wildlife Damage Compensation Program, compensation is provided for damage caused by ducks, geese, sandhill cranes, white-tailed and mule deer, antelope, elk, bear, moose and, new for 2004, bison.

In order to comply with the funding arrangements under the APF, the Wildlife Damage Compensation Program replaced the Big Game and Waterfowl Damage Compensation Programs in 2004. The Wildlife Damage Compensation Program is fully funded at 80 per cent coverage, cost shared at 60 per cent by the federal government and 40 per cent by the provincial government.

With the transition, the compensation for crop damage was reduced from 85 per cent to 80 per cent while the $200 deductible per crop was replaced with a $100 minimum claim per crop. Payments remain based on the grade at the time of harvest, reflecting the value of the damaged crop; protein adjustments and malting status are not included in determining compensation amounts.

There are no premiums paid by producers and all Saskatchewan producers are eligible for compensation. Producers do not need to be Crop Insurance contract holders.

The table on this page indicates the average historical indemnity paid based on the actual claims paid to the end of the fiscal year.

The tables on the next page indicate the indemnities by crop year and the contributions of government. Though the two former programs have been combined under the new wildlife program, the compensation funds for each type of loss (waterfowl or big game) remain separate. These tables are not prepared in accordance with the accounting policies disclosed in the Agricultural Stabilization fund; however, on a cumulative basis, these amounts reconcile with those financial statements.

Wildlife Compensation Program Summary

Fiscal Year	Waterfowl Claims	Waterfowl Compensation Paid	Big Game Claims	Big Game Compensation Paid
78-79	1,586	$ 1,836,587		
79-80	908	$ 977,476		
80-81	1,233	$ 1,465,480		
81-82	305	$ 312,061		
82-83	582	$ 684,593		
83-84	541	$ 869,910		
84-85	408	$ 763,530		
85-86	2,544	$ 6,389,022		
86-87	2,950	$ 6,658,769		
87-88	1,210	$ 1,779,933		
88-89	807	$ 1,337,903		
89-90	1,384	$ 3,727,130		
90-91	760	$ 2,138,380		
91-92	392	$ 683,391		
92-93	2,040	$ 5,557,642		
93-94	1,560	$ 3,603,156		
94-95	1,668	$ 1,778,556		
95-96	709	$ 1,352,767		
96-97	2,416	$ 7,951,921		
97-98	1,077	$ 4,361,668	1,671	$ 6,412,426
98-99	298	$ 520,360	264	$ 529,955
99-00	1,600	$ 4,309,428	400	$ 893,760
00-01	1,132	$ 2,559,440	383	$ 968,948
01-02	164	$ 233,093	612	$ 1,306,835
02-03	781	$ 2,368,893	393	$ 1,164,098
03-04	1,028	$ 5,202,721	2,789	$ 10,366,683
04-05	1,654	$ 5,028,034	813	$ 1,594,932
Total	**31,737**	**$ 74,451,844**	**7,325**	**$ 23,237,637**
Average	**1,175**	**$ 2,757,476**	**916**	**$ 2,904,705**
5 Yr. Average	**952**	**$ 3,078,436**	**998**	**$ 3,080,299**

- From 1984 to 1990, the Big Game Damage Compensation Program was administered by Saskatchewan Environment followed by Saskatchewan Crop Insurance starting in 1991. No program was offered in 1994 and 1995. The big game program resumed in November of 1996 but claims were not paid until 1997. Therefore, 97-98 includes claims from both 1996 and 1997 claim years.

- Prior to 1996, the big game program was a provincial responsibility while the waterfowl program was a joint responsibility with the indemnities shared between governments on a 50:50 basis. Payments under both programs were funded pay as you go. Beginning in 1996, both programs were made eligible for federal and provincial funding.

Big Game Damage Companion Program Fund Balances (000's)

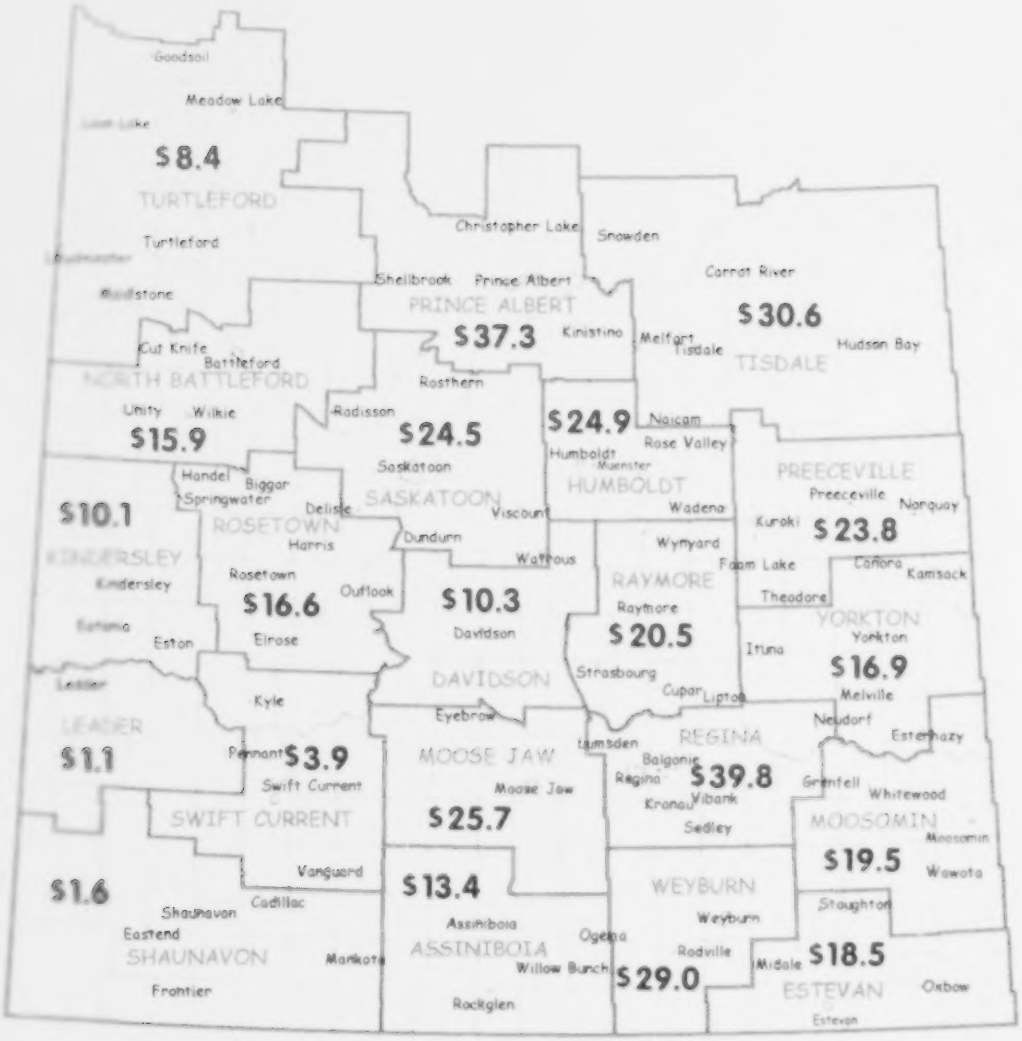
ACTUALS	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	Total
Opening Balance (Deferred Rev. & Net Assets)	$ -	$ 690	$ 3,832	$ 10,385	$ 10,749	$ 11,275	$ 4,225	$ (5,075)	$ -	$ -
Revenue										
Start Up										
Saskatchewan	2,000	5,000	-	-	-	-	-	-	-	7,000
Federal	-	2,000	5,000	-	-	-	-	-	-	7,000
Operational										
Saskatchewan	-	-	769	820	1,000	-	-	385	844	3,818
Federal	-	-	800	-	-	-	-	5,350	1,220	7,370
Transfer to Admin Exp. Fund	-	-	(31)	-	-	-	-	-	-	(31)
Hunter	690	479	191	-	-	-	-	-	-	1,360
Temporary Provincial Advance	-	-	-	-	-	-	-	7,000	-	7,000
Transfer from W/Fowl Account	-	-	-	-	-	-	-	1,815	-	1,815
Interest	-	-	354	438	495	257	64	47	1	1,656
Total Revenue	2,690	7,479	7,083	1,258	1,495	257	64	14,597	2,065	36,988
Expenditures										
Indemnities	(2,000)	(4,287)	(530)	(894)	(969)	(1,307)	(1,164)	(962)	(2,065)	(14,178)
Repay't of temporary Provincial Advance	-	-	-	-	-	-	-	(7,000)	-	(7,000)
Estimated Unadjusted Claims	-	-	-	-	-	-	(8,200)	(1,560)	-	(9,760)
Interest	-	(50)	-	-	-	-	-	-	-	(50)
Transfer to CFIP	-	-	-	-	-	(6,000)	-	-	-	(6,000)
Total Expenditure	(2,000)	(4,337)	(530)	(894)	(969)	(7,307)	(9,364)	(9,522)	(2,065)	(36,988)
Ending Balance (Deferred Rev. & Net Assets)	$ 690	$ 3,832	$ 10,385	$ 10,749	$ 11,275	$ 4,225	$ (5,075)	$ -	$ -	$ -

Waterfowl Damage Companion Program Fund Balances (000's)

ACTUALS	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	Total
Opening Balance (Deferred Rev. & Net Assets)	$ 80	$ 173	$ 5,042	$ 18,923	$ 17,177	$ 17,595	$ 8,778	$ 6,044	$ -	$ 80
Revenue										
Start Up										
Saskatchewan	-	5,000	-	-	-	-	-	-	-	5,000
Federal	-	-	10,000	-	-	-	-	-	-	10,000
Operational										
Saskatchewan	4,025	2,100	1,898	1,805	2,200	-	-	170	2,085	14,283
Federal	4,025	2,100	2,000	-	-	-	-	254	3,127	11,506
Transfer to Admin Exp. Fund	-	-	(102)	-	-	-	-	-	-	(102)
Interest	-	10	623	772	777	416	135	50	-	2,783
Total Revenue	8,050	9,210	14,419	2,577	2,977	416	135	474	5,212	43,470
Expenditures										
Indemnities	(7,952)	(4,353)	(520)	(4,309)	(2,559)	(233)	(2,639)	(424)	(5,212)	(27,931)
Estimated Unadjusted Claims	-	-	-	-	-	-	(500)	(4,279)	-	(4,779)
Interest	(5)	-	-	-	-	-	-	-	-	(5)
Transfer to CFIP	-	-	-	-	-	(9,000)	-	-	-	(9,000)
Transfer to Big Game Account	-	-	-	-	-	-	-	(1,815)	-	(1,815)
Doubtful Accounts	-	(6)	-	(14)	-	-	-	-	-	(20)
Total Expenditure	(7,957)	(4,359)	(520)	(4,323)	(2,559)	(9,233)	(2,869)	(6,518)	(5,212)	(43,550)
Ending Balance (Deferred Rev. & Net Assets)	$ 173	$ 5,024	$ 18,923	$ 17,177	$ 17,595	$ 8,778	$ 6,044	$ -	$ -	$ -

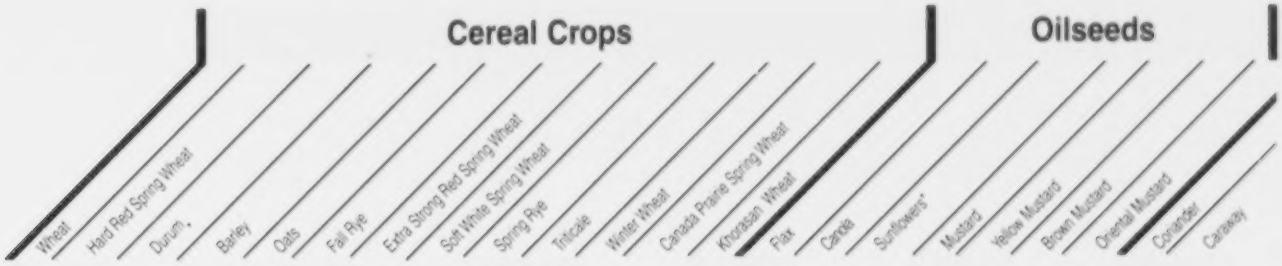
Appendix 4: 2004-2005 Indemnities by Region

Millions of Dollars



Total claims paid for 2004-2005 were approximately $392.1 million including pre- and post-harvest and establishment benefit claims.

Appendix 5: Insured Acres by Crop



Year																								
1961-63	9.102.700			675.240	228.760																			
1970-71		579.500	137.400	262.500	24.400																			
1971-72		1.040.200	149.000	250.600	24.800																			
1972-73		1.613.505	385.088	362.166	40.855											41.267	146.301							
1973-74		4.731.716	715.544	1.008.656	234.891	2.177										153.252	388.380	1.050						
1974-75		5.615.440	1.360.053	1.507.827	430.933	14.054	42.295									218.054	545.896	190	68.880					
1975-76		6.673.045	2.072.676	1.519.288	559.950	29.722	67.105									227.902	881.834	829	33.871					
1976-77		8.452.752	1.870.193	1.389.155	549.122	49.101	60.345									90.225	328.818	570	17.950					
1977-78		10.367.504	1.216.880	2.246.807	746.651	47.929	264.967									365.647	774.775	2.291	73.457					
1978-79		8.692.868	2.266.101	1.631.337	476.210	83.014	226.913									221.894	1.415.738	2.004	73.363					
1979-80		8.706.489	1.721.750	1.270.343	361.241	76.076	58.068		4.856							386.897	1.616.044	4.128	44.418					
1980-81		9.783.115	2.147.814	1.795.748	480.810	89.389	44.046		13.493							247.139	1.085.158	10.632	110.742					
1981-82		11.097.416	2.749.049	2.180.806	546.035	138.233	37.515		18.022							210.676	686.360	4.791	75.290					
1982-83		11.250.517	2.237.746	2.049.734	461.074	147.036	34.773		25.008							275.290	757.199	3.601	49.725					
1983-84		11.854.822	2.087.304	1.614.460	326.370	135.117	25.787		8.072							123.665	1.112.926	1.306	93.580					
1984-85		10.931.701	2.561.121	1.823.475	376.268	105.569	58.823		9.133							372.201	1.770.049	5.895	164.691					
1985-86		11.853.170	2.899.744	2.218.712	469.229	118.634	167.936	9.329	23.484		416.257					430.229	1.803.123	6.103	222.031					
1986-87		13.298.153	3.172.596	2.394.632	468.090	187.634	156.036	11.301	29.369	2.887	602.306					501.806	1.665.883	6.493	271.288					
1987-88		11.674.712	3.710.793	2.497.283	456.691	164.669	59.578	4.468	15.219	2.079	264.277					351.599	1.627.739	11.334	117.443					
1988-89		10.840.175	3.880.322	2.090.117	628.814	138.679	58.419	2.262	20.727	1.711	130.624					312.559	2.586.023	10.529	247.822					
1989-90		12.070.775	4.684.235	2.759.566	758.462	330.134	58.177	2.043	18.008	1.166	51.912					533.851	2.295.868	10.019	361.354					
1990-91		12.962.716	3.580.820	2.372.150	444.078	227.450	44.891	2.972	15.828	5.115	68.391	53.817				655.579	2.065.296	8.102	361.373					
1991-92		15.512.081	3.723.365	2.776.307	382.028	98.670	24.921	6.445	18.445	5.097	23.570	326.653				483.221	3.121.653	16.917	186.406					
1992-93		14.453.469	2.485.801	2.166.076	419.373	57.084	22.908	4.350	17.793	7.802	14.694	551.764				206.509	2.735.548	9.439	205.996					
1993-94		9.724.157	1.942.853	1.738.413	366.814	77.362	124.147	1.149	12.924	11.414	15.838	564.436				409.525	3.305.427	20.748	233.671					
1994-95		6.315.045	2.785.708	1.408.404	318.456	56.879	98.647	0	12.929	7.152	10.227	329.938				563.646	4.508.878	16.140	386.635					
1995-96		6.868.737	2.825.626	1.789.833	256.052	46.860	147.124	80	4.510	5.785	20.426	404.611				759.514	4.285.004	11.515	288.527					
1996-97		8.213.055	2.708.185	1.986.217	433.415	34.136	214.413	549	4.306	5.465	41.669	579.749				435.399	2.670.161	6.683	246.407					
1997-98		6.963.500	3.066.510	2.069.474	479.457	40.008	215.154	357	5.762	7.384	47.042	796.755				792.587	3.806.591	16.688	309.005					
1998-99		5.603.875	4.322.155	2.079.545	706.099	68.755	177.123	260	8.520	18.794	55.087	595.423				991.327	4.377.810	20.402	348.309					
1999-00		6.389.437	2.491.946	2.080.267	536.971	47.853	136.885	483	4.986	19.513	48.789	394.839				889.593	4.612.512	32.733		109.918	116.924	166.648	10.091	4.308
2000-01		6.262.416	4.207.869	3.060.719	661.663	31.051	132.067	316	2.303	15.989	86.095	323.873				740.657	4.219.946	21.178		81.003	93.991	169.206	11.074	4.970
2001-02		7.847.343	3.477.740	3.010.165	716.488	24.763	82.822	130	2.769	16.892	125.085	306.318				920.117	3.595.269	9.876		147.548	47.228	75.446	8.467	6.227
2002-03		7.243.121	4.080.229	3.365.841	1.078.809	24.914	42.155		6.072	29.255	70.880	313.806	3.629			994.805	3.398.946	22.968		331.759	112.239	103.662	20.636	7.116
2003-04		7.121.104	3.969.914	3.488.895	860.578	60.536	21.743		5.303	26.575	98.875	277.180	6.567			1.086.571	4.498.030	32.563		288.909	172.555	89.961	13.981	3.394
2004-05		6.885.518	3.381.902	2.874.229	765.640	60.932	15.033		3.391	24.571	103.183	271.277	7.356			1.003.198	4.737.975	15.436		298.373	122.372	128.932	29.527	1.850

1991-92, 1992-93, 1993-94 and 1994-95 information is for Crop Insurance only and the crop insurance portion of GRIP.

* Sunflowers include sunwheat and sunola.

** Average (acres per contract) does not include the Forage Insurance program.

Specialty Crops								Pulses																										
Anise Seed	Potatoes	Processing Potatoes	Seed Potatoes	Dvers/Safflower	Wintering Acres	Field Peas	Lentils	Lentils Large Green	Lentils Other	Lentils Red	Canary Seed	Fababeans	Dry Beans Black (Im)	Dry Bean Pinto (Im)	Dry Bean Other (Im)	Dry Beans	Dry Beans Black (Dry)	Dry Bean Pinto (Dry)	Dry Chickpea	Kabuli Chickpea	Kabuli Chickpea Large SG	Kabuli Chickpea Small SG	Total	Average*	# of Contracts									
																							10,236,709	211	48,475									
																							1,502,800	111	9,080									
																							1,464,600	186	7,990									
																							2,589,182	219	11,844									
																							7,220,666	303	23,909									
																							9,804,422	312	31,411									
																							12,066,222	316	38,209									
																							12,811,518	327	39,143									
																							16,116,827	342	47,156									
																							15,599,256	351	43,232									
																							14,301,117	356	40,154									
																							15,919,836	372	42,850									
																							17,845,097	386	46,259									
																							17,472,256	393	44,469									
																							17,910,357	407	43,990									
																							18,352,785	423	43,443									
																							20,678,177	445	46,464									
																							23,223,755	474	48,952									
																							21,987,168	496	44,330									
																							21,566,031	472	45,721									
																							24,444,218	496	49,287									
																							23,088,147	503	48,923									
	1,577																						27,482,146	534	51,466									
	619																						24,386,896	487	49,666									
	431																						19,547,592	427	45,752									
	1,141			4,803																			18,168,715	421	43,107									
	703			4,798																			19,140,850	468	40,904									
	898			2,480																			18,713,964	497	38,056									
	3,847			4,966																			20,151,723	559	36,230									
23,670	8,278			5,517			1,164,713	587,480													29,647	33,964			21,520,464	629	35,206									
37,866		79	2,061	3,109			926,633	842,009													128,926	122,447			21,368,299	673	33,216									
49,432		603	3,264	2,199	57,542		1,548,056	1,357,437													260,461	264,896			24,394,432	726	34,121									
51,920		1,439	2,238	2,099	117,194		1,918,743		648,552	494,269	349,218	291,850	1,626								310,338		438,612	264,855	25,225,915	744	33,917									
55,688		1,767	2,538	3,316	98,524		1,773,176		723,460	250,127	309,037	648,951	725	270	2,590	730		632			149,216		169,011	95,220	25,536,820	735	33,814									
53,710		1,750	3,553	7,473	142,997		1,787,373		686,864	274,133	177,876	544,560	345		2,088	556	228	1,301	47,291		33,778	30,759			25,919,430	739	33,072									
50,984		1,110	3,742	8,806	167,161		1,878,644		957,556	341,580	191,478	700,343	185		2,334	312		1,569	11,830		30,509	30,921			26,002,495	798	31,366									

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Crop Insurance

2004-2005 Annual Report
Supplementary Information

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Agriculture and Agri-Food Canada / Agriculture et Agroalimentaire Canada

Saskatchewan Crop Insurance Corporation

Saskatchewan Centennial 2005

Supplier Payment

Listed are payees who received $50,000 or more for the provision of goods and services, including office supplies, communications, contracts and equipment.

Vendor	Amount	Vendor	Amount
Agrometeorological Centre of Excellence	170,909	Microsoft	95,411
Anisoft Group Inc.	357,744	Nexinnovations	67,192
Culease Financial Services	70,936	Olive Waller Zinkhan & Waller	293,748
D.R. Auto Extras	113,549	Postage-by-Phone	65,000
Dell Computer Corporation	74,398	Saskatchewan Agriculture and Food	222,216
Grand & Toy	93,204	Saskatchewan Property Management Corporation	1,972,629
Bill Humeny	106,596	Sask Tel, CMR	413,943
IBM Canada Ltd.	416,526	Saskatchewan Workers' Compensation Board	169,631
Information Security Technology	103,195	SGS Canada, Inc.	118,161
KPMG LLP	186,939	University of Guelph	60,000
The Marketing Den	379,090		
Microage	96,382		

Personal Services - Employees

Listed are individuals who received payment for salaries, wages, honorariums, etc. which totalled $50,000 or more.

Payee	Amount	Payee	Amount
Adrian, Jeff	57,765	Liebrecht, Collin	57,101
Ames, Judy	57,101	Mathisen, Leslie	63,864
Armbruster, Betty	57,273	McCuaig, David	66,621
Audette-Sand, Gail	58,154	Morrow, Jeff	53,110
Benjamin, Stan	98,070	Moyse, Lee	57,101
Biletski, George	69,700	Myhr, Deborah	57,101
Burnett, John	57,101	Novak, Trevor	62,232
Coldwell, Maria	57,101	Nyeste, Marjorie	57,101
Cooper, Mike	81,860	Potts, Glen	59,320
Cudmore, William	91,903	Price, Jean	57,101
Cursons, Thomas	83,038	Quintal, Ernest	57,101
Dingle, Terry	91,903	Rehm, Ken	51,545
Emond, Denis	76,321	Rohr, Robert	66,783
Erbach, Garth	69,525	Rooney, Colleen	55,388
Erickson, Kelly	57,101	Russell, Dougla	51,258
Ferrier, Barbara	55,498	Sawyer, Louise	69,968
Fleury, Curtis	53,321	Sinclair, Cameron	57,101
Griemann, Eva	62,420	Spruyt, Jack	59,483
Hayward, Keith	72,216	Stanley, Larry	57,299
Heese, Richard	61,022	Stefankiw, Valerie	56,372
Hill, George	69,700	Stewart, Christopher	61,654
Hittel, Ronald	69,700	Swan, Dallas	51,376
Honan, Connie	61,249	Todosichuk, Jana	53,916
Hughes, Earl	71,194	Tyacke, Shirley	57,101
Hulston, Lorelei	59,483	Warner, Darby	57,101
Keisig, Janece	50,979	Warnes, Lorne	91,903
Kentel-Weinheimer, Terri	55,174	Winterhalt, Dianne	51,940
Kernaz, Lennea	60,011	Wotherspoon, Dale	53,110
Kiss, John	66,608	Wouters, Neil	57,101
		Payees under $50,000	9,928,949